# A&W Malaysia's Leadership, Resilience and Human Resource Management



Case Study Submitted in Partial Fulfilment of the Requirements for the Degree of Master of Business Administration (Leadership) Universiti Tun Abdul Razak

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#### DECLARATION

I hereby declare that the case study is based on my original work except for quotations and citations that have been duly acknowledged. I also declare it has not been previously or concurrently submitted for any other degree at UNIVERSITI TUN ABDUL RAZAK (UNIRAZAK) or other institution.



Signature	
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Date

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# LIST OF ABBREVIATIONS

IMRSB	INTER MARK RESOURCES SDN BHD			
KUB	KUMPULAN UTAMA BUMIPUTRA			
TDM	TERENGGANU DEVELOPMENT MALAYSIA			
CEO	CHIEF EXECUTIVE OFFICER			
GMD	GENERAL MANAGING DERECTOR			
CS	COMPANY SECRETERY			
GM	GENERAL MANAGER			
OM	OPERATION MANAGER			
AM	AREA MANAGER			
SRM	SENIOR RESTAURANT MANAGER			
RMR	ESTAURAN MANAGER			
ARM	ASSISTANT RESTAURAN MANAGER			
SM	SHIFT MANAGER			
TL	TEAM LEADER			
SHTV3	SURE HEBOH TV3			
HWWT	HWWT HOW WE WORK TOGETHER			
CER	CHECKING EVALUATION REPORT			
RB	ROOT BEER			
MCO	MOVEMENT CONTROL ORDER			
QSR	QUICK SERVICE RESTAURANT			
YUM	IS AN AMERICAN FAST FOOD CORPORATION LISTED			
LAS	LEADING A SHIFT			
LAR	LEADING A RESTAURANT			
LAM	LEADING A MANAGEMENT			
BSC	BALANCE SCORE CARD			
SOS	SPEED OF SERVICE			
CSL	CUSTOMER SERVICE			
BAGR	BUILDING A GREAT RESTAURANT			
UMNO PAU	PERHIMPUNAN AGONG UMNO			
CHAMPS	CLEANLINESS HOSPITALITY ACCURACY MAINTANANT			
	PRODUCT SPEED			
IDP	INDIVIDUAL DEVELOPMENT PLAN			

#### **EXECUTIVE SUMMARY**

The presence of the new Chief Executive Officer (CEO) has changed the prospects of A&W Malaysia Sdn Bhd to be on the right track. George Ang who is also a successful entrepreneur who is the owner of Inter Mark Resources Sdn Bhd (IMRSB). The F&B group in revenue valley holds its own chain of restaurants, Manhattan Fish Restaurant and more than 100 other restaurants under Revenue Valley. Revenue Valley Sdn Bhd a Malaysian-based investment holding company which owns Manhattan Fish Market, New York Steak Shack and Tony Roma's franchise for Malaysia. Majority investment in a strong Malaysian company. Sector focusing F&B and Acquisition Date in Jan 2012. Ownership 85.8% .Inter Mark Resources Sdn Bhd (IMRSB) has successfully bought Malaysia's oldest fast food chain company A&W from KUB Berhad. The other entity responsible for performance at A&W, is the former chief executive officer and group managing director of KUB Malaysia Berhad, Dato Wan Mohd Nor Wan Ahmad. This brief meeting took place in April as he was the former my head department, when i worked at A&W Malaysia for almost 8 years. (2007-2015), Additional data was also obtained from the public communications department KUB Malaysia Berhad, Mrs Norashekin Binti Yusof. Additional data assistance from Terengganu Development Malaysia by Mr Muhammad Azrain Bin Mohd Kasim Senior Manager of Terengganu Development Malaysia Berhad. Secondary data were taken and analyzed only from desktop research - articles, reports, journals and publications. A&W Malaysia began to create the history of the first restaurant to open in Jalan Tuanku Abdul Rahman, followed by the first A&W Malaysia restaurant to open a Drive-in concept in Petaling Jaya. A&W Malaysia is fully controlled by Inter Mark Resources Sdn Bhd (IMRSB), Leading by George Ang is the CEO of the company and A&W Malaysia (100%).



#### **PART 1: CASE DESCRIPTION**

#### **1.0 Opening Paragraph**

Leadership resilience is beneficial to both the leaders and the organization they are leading, especially considering the increasing frequency of the crises organization have to deal with. This case study aim to study leadership resilience in the case of A&W Malaysia. The first part will provide sufficient background information of A&W Malaysia. The goal is to highlight any resiliency related issues the organization has faced over the years. In the second part, an analysis of leadership resiliency will be done using the case of A&W. The crisis will be analyzed using a tried and tested organizational resiliency model.

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#### 1.1 A&W Company Background

inting, is not perm A&W Malaysia SDN BHD is the Malaysian Franchise of the American based A&W International Limited, O therwise referred to as just A&W. A&W International Limited A&W has a long history in the United States, beginning with the first A&W Root Beer stand in 1919 founded by Roy W. Allen and his friend frank wright. The founder of the chain had big ambitions, so he was able to create his first handmade condensed soda (Root beer concentrate). In essence, the organization is a Fast Food company that has adopted a franchise model to expand in various international market (A&W Malaysia, 2021).

A&W entered the Malaysian market in 1963. It was the first fast food restaurant to operate in this country (A&W Malaysia, 2021). The Malaysian Franchise was established by Mr. And Mrs Lie Boff, an America couple. The company capture the attention and attracted Malaysian who wanted to enjoy the fast food restaurant concept as well as the American experience. To be precise, A&W Malaysia introduced America food, culture, and restaurant concept to Malaysian. Customer keep to have such an experience flocked its first outlet, which was located in Jln Tuanku Abdul Rahman. It signatures meals that attracted curious Malaysians included Coney dogs (In Malaysia as name Coney Chicken @ Beef follow requirement by JAKIM), burgers, waffles, and frosty mugs.

The novel American-based fast-food concept adopted by the organization initially proved to be an effective strategy. It enabled the organization to expand aggressively. For instance, the A&W was able to open the first of its kind epochal drive-in in Petaling Jaya (PJ) Sec 52 New Town (A&W Malaysia, 2021) (See figure i). Various another Fast-food restaurant opened up. The company was actually recognized as the go to location for holding birthdays and other special occasions. The appearance of its brand's Mascot, Rooty the bear made the events held in its premises memorable to the customers. Its earlier customers developed some form allegiance towards it. People who had memorable moments in their restaurants introduced their children and grandchildren, ensuring the organization continued to enjoy health sales. However, thing begun to change.



Figure 1: A&W Malaysia first Drive-inn restaurant

#### **1.2 Products or Services**

Products or any services offered by an organization can be introduced to consumers in the market through various means. One commonly known way is through counter and door person. Because counter and door person often face consumers and are directly involved in the process of introducing products and transferring ownership of those products from manufacturer to consumer, the sales function is most important in an organization, and makes organizational management and entrepreneurs improve their marketing management techniques. A&W Malaysia is one of the longest surviving food chains of a leading fast food service retailer brand, of course loved and liked by all walks of life regardless of race and age. It is a fast food product that prepares Coney Chicken @ Beef Dishes, Float Root beer, Root beer served in Frozen Glasses, Meat And Chicken Burgers, Fries, Aroma Fried Chicken, Waffles and a variety of desserts.With the new leadership, George Ang, acted boldly to buy A&W Malaysia fast food chain from KUB Berhad. The confidence of a leader who is able to show the best example of leadership, this is what happened to the new CEO of A&W Malaysia doing now: Permitter

#### 1.3 Vision

A&W Malaysia's vision is to be a Fast-food restaurant with the best service in the world and aims to open 60 branches by 2019 and 100 branches by the end of 2024. To achieve this vision, A&W Malaysia needs to have an expert with great leadership qualities. the same all the leadership of each division should always guarantee the quality of its products, provide satisfactory services, offer cleanliness and maintain product quality and other added value. A smile is important for A&W Malaysia. It also makes for the fastest and best experience and service in the world.

#### 1.4 Mission

- Be the best A&W Malaysia for all our customers in every community around the world.
- Provide services with a superior operating system through a collaborative leadership approach for every customer in every Malaysian A&W restaurant.
- Continue to grow in a profitable direction as a brand, as well as continue to grow
   A&W Malaysia's operating system in a better direction with high innovation and
   technology through innovative leadership experience.
- Maintaining the position of A&W Malaysia's products and brand is back in competition with current competitors with a high fighting spirit from each divisional leadership.
- Create a stable business opportunity and be able to increase the number of restaurants available in 2018 to only 47 stalls and target opening to 60 units by 2019 and 100 units by the end of 2021by leadership capable of bringing A&W Malaysia in the best group of Fast-food chains.
- Management through leadership needs to plan to be more sensitive to services involving product quality, time management and Inventory management control where the main problem for A&W Malaysia is due to lack of sensitivity to stock management and a lot of waste. months there will be a waste of raw materials in excess of 5% per month for every A&W outlet throughout Malaysia previously.
- Leadership creates management leaders from the divisional level as well as the level of control for each of Malaysia's best A&W outlets.
- Business branches are translated in all concepts as a whole according to current trends where the form of business is home delivery, birthday celebration package, package concept in catering and moving truck concept.

#### 1.5 Value

- Put the customer experience at the core of all they do.
- believe in the A&W Malaysia system
- conduct business ethically
- give back to the customer community
- strive to improve operation
- grow business and profit

#### 1.6 Ownership

100% full ownership by George Ang who is also a successful entrepreneur who is also the owner of Inter Mark Resources Sdn Bhd (IMRSB) founded a regional F&B group. Valued RM34 million.



Figure 2: Development Agreement Events

(right) Mr Dean Thompson, Deputy Chief of Mission, Embassy of the United States of America and (left) Mr Kevin Bazner, Global Chief Executive Officer of A&W Restaurants, Inc. witnessing the signing of a development agreement between (2nd from right) Mr George Ang, Chief Executive Officer of A&W Malaysia Sdn Bhd and (2nd from left) Mr Martin Lim, Managing Director of A Great American Brand International.

#### **1.7 Organizational Structure**

The organizational structure consists of the management leadership and key operations of A&W Malaysia itself. Management Leadership is responsible for arranging restaurant operations and corporate management is responsible for overseeing the overall development layout of A&W Malaysia's 49 stalls, maintaining the position of employees, equipment as well as maintaining food quality, customer service, hygiene and A&W Malaysia value. The evaluation of all the operating results of this organization is evaluated by the top leadership of the human resources division i.e., the human resource manager. Each part of this organizational structure plays an important responsibility as well as an important leadership manner and task of the job that has been assigned by the employer. Shows the organizational structure ranging from top management to bottom employees

# 1.7.1 The Organizational Chart Tabulated Above Is Listed Down as Follows: <u>Board Of Directors/CEO</u>

Mr George Ang (Cum Owner Of Inter Mark Resources Sdn Bhd (IMRSB) Finance Department~Ms Ang Chew Wei (Also Group Finance Director IMRSB)

#### Marketing/Purchasing Department

Mr Azrin Borhan (Manager) Mr Azlan Nordin (Executive)

#### Human Resources/Technical Department

Mrs Razalina Ramli (A&W Hr Manager) Mr Firdaus Abdullah (A&W Bd Manager) Mr Saleem Ahmad (Training Manager A&W Malaysia)

#### **Operation Department**

Mohd Halimi Zakaria (Om A&W Malaysia) Mdm Harlina (Area Manager Centarl -I) Mr Azman Yatim (Area Manager Central -Ii) Mr Hata Ruzai (Southtern Area Manager) Ms Mimi Aminah (Northern Area Manager) Ms Shima (Act Area Manager Training Outlet)



Chart 1: Organizational Chart of A&W Malaysia Sdn Bhd

Above is the layout of all the management that has been made which involves key management as well as operations management. Has 5 areas that cover the border within Malaysia. Each area is headed by an Area Manager (AM). Will report to an Operation Manager (OM). All division heads will report to the CEO.

#### 1.7.3 Flow of Restaurant Career Development



Every position, except CEO is under the training and development of employees under the control of human resources. Be a source of inspiration to all positions, to continue to progress and achieve future targets.

#### **1.8 The Company Life Cycle**



Chart 3: life cycles A&W Malaysia SDN BHD

#### **1.8.1** The First Stage (1963 – 1981)

"More than usual" That is the slogan that is very synonymous with the oldest fast food in Malaysia. A&W Malaysia is a well -known fast food restaurant in the country. Having set foot in Malaysia in 1963, Where, Mr. and Mrs. Lie Boff couple from the United States have opened the first restaurant in Jalan Tuanku Abdul Rahman. waffle cream and the most famous is root beer using a 14-inch and 21-inch Mug freezer from the freezer. The couple had the opportunity to place their country's products in Malaysia by opening a restaurant in a famous hot spot in the city center, which a busy area in Kuala Lumpur Malaysia. Seeing the good development, A&W products are accepted by all races in Malaysia, they took the opportunity to open one restaurant branch one by one that is still based in the Klang Valley until now, namely A&W Pj Drive -In Restaurant, located in Petaling Java in 1965. First concept in Malaysia made to make it easier for customers enjoy food without going out and queuing at the counter, (only order food in their own vehicles when A&W employees come to place orders after enter the car park restaurant). In 1970 coupled of Lie Boff had opened another restaurant in Jalan pudu, Its position was very strategic at that time, overlooking the Pudu Raya which was the focus of Klang valley residents.

Densely populated areas if when the festive atmosphere arrives. customers will stop to eat there before going by bus back to the village during festivals like Eid, Chinese New Year and Depavali. Although the customers are not familiar but the customers turn is very much to visit before returning to the village, enjoy fast food, before boarding the bus for a long time. A&W's Pudu Raya branch closed its operations in 2009 due to intense competition between fast foods that are abundant in Pudu Raya areas, such as KFC, Burger King, McDonald's and others. In 1981 the couple Mr and Mrs Lie Boff realized that well -known fast foods such as KFC and McDonald's had entered Malaysia had received the effects of severe competition, with A&W Malaysia's sales revenue already showing a decline. The pair does not have a strong company and cash flow that cannot afford to open more branches to compete with other competitors, one of the main reasons is that they do not have strong leadership values to continue to fight the challenges that come, the main foundation of a leader There are various definitions given to leadership. John Maxwell (1998) defines leadership as the ability of a leader to influence others to do something while Peter Drucker (1996) so succinctly refers to leadership as leaders and followers in an organization. who can take over the business. A local company doing business in Terengganu Development Malaysia (TDM) on the estate has successfully bought A&W malaysia with 100% stake. For the first time, a local company is ready to take over the first fast food company in Malaysia.



Figure 3: Mcdonald'S, first opening outlet in Malaysia 1982 at Jalan Bukit Bintang, other Kfc First Outlet opening Di Jalan Tunku Abdul Rahman, Kuala Lumpur at 1973

#### **1.8.2 The Second Stage (1981-2001)**

Best Achievements Terenganu Development Malaysia (TDM), Incorporated on 1 December 1965, TDM is one of the leading players in the oil palm and healthcare sectors. Management has taken the bold path of owning fast food company A&W Malaysia, becoming part of its subsidiary. While they know that Terenganu Development Malaysia (TDM) lacks the experience and edge to operate one of the oldest restaurant chains in Malaysia, they are confident that the A&W Malaysia brand will be able to compete, and see that their resources and financial position as a large company can influence governance. A&W Malaysia's operations continue to grow.The first phase (1981-1994) they have expanded this fast food chain by opening more than 10 restaurants including (3) in Terenganu, and to give customers a perspective on A&W Malaysia began to be in every city that is the focus of Many. The restaurant in Terenganu opened in 1985 on Batu Buruk beach, in Kemaman and Gong Badak in Terengganu, With the opening of a new branch has had a positive impact on the early (TDM) involvement in the fast food chain A&W Malaysia.

After 10 years of operating A&W Malaysia, TDM has performed poorly, as competition between McDonald's and KFC has intensified. The speed with which competitor companies got government approval to allow more fast food companies to come in and open new stalls, to give McDonald's and KFC customers and others a chance to try the latest fast food. The A&W menu only serves less than 10 types of food, compared to competitors who have a variety of flavors. At the same time, with poor communication with the owners of Franchises A&W international who did not agree with the proposal to add products according to the suitability of Malaysians. Robert Spitzer in The Spirit of Leadership (2000) has stated that one of the qualities of an outstanding leader is the ability to communicate rationally with employees to create spirit and trust towards the achievement of the vision and objectives of the organization. Rowan Gibson in Rethinking The Future (1998) mentions that "Above all, leaders will have a vision, a passion, an aspiration. And this aspiration, once shared with everybody in the organization will unleash tremendous human energy. A&W also does not highlight and present a wide selection of fried chicken, which is the choice of Malaysians. The price war began in 1980, when A&W Malaysia prices were more expensive than competitors.

Leaders not only ensure that employees perform work on a regular basis but are able to communicate and influence them to believe, obey and be willing to work hard by mobilizing and utilizing all resources and equipment organization towards achieving the vision and direction set. Capital is not a determinant of the success of an organization. This happens to TDM because it has to accept the fact that leadership factors, skills and courage must be parallel to develop an organization or fast food chain that is popular but facing problems leadership and administrative structure in business strategy. In 2000 they agreed to open an offer, for any company to take over A&W Malaysia. The sale was completed, many outlet suffered losses and required a large capital allocation to revive the business and compete with competitors. TDM Berhad opined that it should decide to sell all A&W Malaysia shares and admitted that they were not skilled in managing fast food companies and refocusing their main business on farms. In 2001, the fast food chain under TDM successfully opened around 31 branches that are still operating. Finally, TDM was successfully sold to KUB Berhad covering Malaysia, Thailand and Singapore.

#### 1.8.3 The Third Stage (2001-2019)

The revival phase is beginning to show under the KUB Berhad company. The company began to address all the problems that occurred in A&W Malaysia's operations. KUB did not wait long to update the governance administration involving the operations and management of the company. Under GMD Che Khalid Mohd Nor and Puan Aida Haniza Adnan Company Secretary (CS) and General Manager (GM) of A&W Malaysia directly appointed by KUB berhad, namely Encik Anuar Osman. Has planned and opened several new branches throughout Malaysia, especially in Kelantan (2) Perak (1) Selangor (5) Melaka (4) Negeri Sembilan (1) and Johor (3). With this opening, the effect can be translated into reality by increasing the total sales of revenue collection each month to at least RM3 million per month. Various activities were carried out to increase total sales revenue, by opening and refurbishing the entire restaurant. The management of KUB as well as the management of A&W Malaysia itself, with the experience person Mr Anuar Osman where he has more than 30 years in the management of KFC / Pizza Hut as the Regional General Manager, was able to change the administrative layout to be more systematic. In 2003 KUB took a drastic step despite not being agreed by A&W International to close its branch completely in Singapore. This is because sales in Singapore occurred due to an overly critical decline in sales revenue, and intense competition from various fast food companies growing in Singapore's neighboring country.

In 2009 after the new management of KUB was appointed led by Dato Hj Abd Halim Bin Hj Abdul Samad, the new chairman, Dato Mohd Nazar Samad (GMD KUB) and Ms. Haniza Rose General Manager (GM) the business expansion of the group was a very remarkable transformation. . KUB Group led by Dato Nazar and Ms. haniza rose has planned a strategy with the management of A&W Malaysia by Mr. Anuar Osman General Manager of A&W Malaysia (GM), various side operations such as setting up a catering / delivery team known by the OM:

- Buy a 2 @ 3 ton truck to use as a moving truck business.
- Change the status of 10 restaurants that previously only conducted restaurant dining activities (Eat at) and Take home (take home) also home delivery concept Added more stand -alone outlets to go through the way out.
- Determine companies that are experienced in the process of service transformation such as hotel services.com Focus Learning Company is given the responsibility to change the perspective of all staff in order to provide the same services as in hotel services.
- Altering Outdoor Catering as has been done in UMNO PAU election events, stadium events, Sure Heb oh TV3 (SHTV3) and more.

With this change, KUB hopes that the management of A&W Malaysia led by MR Anuar Osman can provide a good sales return. The experiment did not bring interesting results, but the restaurant still suffered an overall loss. Although KUB Berhad seems powerful with good planning, but there are still weaknesses that arise involving leadership factors through communication between leaders, between advisors. The second factor is too confident with the sudden change where, the notion of investing to achieve success will certainly succeed less effectively. Robert Spitzer in The Spirit of Leadership (2000) has stated that one of the qualities of an outstanding leader is the ability to communicate rationally with employees to create spirit and trust towards the achievement of the vision and objectives of the organization. Rowan Gibson in Rethinking The Future (1998) mentions that "Above all, leaders will have a vision, a passion, an aspiration, once shared with everybody in the organization will unleash tremendous human energy. The problem arises where the level of leadership and restaurant management is rated very poor. Poor service, inconsistent products, as well as product quality and restaurant hygiene are very poor and uncontrollable. These are the reasons related to member leadership in each branch which may be a problem of lack of training. Of 42 restaurants nationwide, only 20 stalls make a profit every month including Drive-in Ironic PJ restaurant. In 2014. Dato Wan Mohd Nor was appointed as the new GMD Group. He decided to close 20 branches simultaneously in September 2014, to stop the monthly losses . Profits until successfully paying an annual bonus to the employee at that time.

#### 1.8.4 The Fourth Stage (2019-Present)

The leadership crisis that lasted until late 2015 between GMD and the head of KUB Berhad had made an unwise decision, which had appointed a new CEO Mr Samad Shariff who was disliked by some members of the Restaurant Management and Central Management. He was appointed directly by KUB chairman Dato Sri Hj Halim without the permission of GMD Dato Wan Mohd Nor. From the crisis, there was an overlap of operational instructions between the CEO and GMD. Many operational management in restaurants was terminated due to poor performance. As a result, various operational problems in the restaurant were disrupted. competitive can control existing problems. From there, the episode of A&W Malaysia's internal governance began to be problematic. Sales revenue began to decline as many restaurants were not well regulated. under KUB. In 2018, KUB will no longer be able to bear the losses suffered by A&W Malaysia. KUB has decided to sell all its interests in the fast food chain to Inter Mark Resources Sdn Bhd (IMRSB). The CEO is George Ang who is also a successful entrepreneur F&B group, Revenue Valley, owns a chain

of restaurants, Manhattan Fish Market including Tony Roma's and Stack Shack New York. A very prominent leadership character from his statement can be seen, always commitment to what is planned, daring to make changes to all parts of operations involving the Malaysian A&W brand such as appointing all key positions with their respective expertise, and able to lead their respective divisions with various ideas that can change previously broken systems, improvements in communication for all levels by constantly holding "round tables" to listen to the complaints and problems of leaders in restaurants and discuss good ideas to maintain the best service. This time A&W Malaysia features a leadership with extensive experience in the fast food chain system, able to administer the same part of the business as it has done before. based on the fast food chain.IRMSB under new CEO George Ang has shown good improvement in the last 2 years.

# 1.9 Changing Competitive Landscape

As time went by, other fast-food restaurant, particularly American's restaurants that adopted same styles and similar products, opened in Malaysia. For instance, Kentucky Fried Chicken (KFC) opened its first restaurant in the country in 1973, McDonald opened its first outlet in 1982, Burger King in 1997, and Pizza Hurt in 1982 (Ryan, Ghazali, & Mohsin, 2011) (See table 1). That meant that curious customers who wanted to experience America food and beverage had many other options. In addition, the edge option indicates that the curiosity and interest of Malaysians regarding the American styles fast food concept was declining. Unlike other restaurants, A&W, unfortunately, did not respond as quickly as possible to the changing business environment and fortunes.

Company in Malaysia	1 <sup>st</sup> Restaurant	1963-1983	1983-1993	1993-2001
A&W	1963	4	8	21
McDonald	1982	1	25	68
KFC	1973	4	50	108
Pizza hut	1982	2	42	98

 Table 1. American style fast food restaurant entering malaysia
 Adapted from (Ryan, Ghazali & Mohsin, 2011)

Unfortunately, the organization did not respond swiftly to the changes. Therefore, it began facing challenges that eventually pushed it into a crisis. The crisis forced it to change ownership and leadership several times. Under the leadership of the previous owner, KUB BERHAD, A&W was forced to close 26 outlets, whose loss was jeopardizing its survival (Bernama, 2019). In fact, it was rumored in 2014 that its iconic Drive-in restaurant in PJ Sec 52 would be demolished to pave way for new development. Even though they did not materialize immediately, they reflected the kind of challenges it was going through at the time (A&W Malaysia, 2021). Furthermore, they might have not materialized but indeed the former owner of the company, did sell the land under which the drive in is established to Kasmuncak Holdings Sdn Bhd. KUB sold the land to overcome the financial struggles it was undergoing due to A&W poor performance. If an agreement is not reached, it expected that PJ drive in will be demolished by the end of 2021.

#### 1.10 A&W Malaysia under George Ang Leadership

However, the acquisition of the company by Inter Mark Resource Sdn Bhd (IMRSB) from KUB Berhad in 2018 was cited to be turning point for the company's fortune. IMRSB was expected to transform A&W Malaysia especially because it was under the direction of a competent leader, George Ang. Become the Chief Executive officer of the A&W after the acquisition. His passion and experience in the food and beverage industry was expected to play a fundamental role in the turn around. While he took leadership of A&W when he was 48 years, Ang career in the food and beverage industry begun when he was 17 years. He started as pizza motorcycle delivery guy for Pizza hurt. From there on, he has worked as dish washer, cook, kitchen hand, and waiter. While playing these roles, he acquired valuable skills that helped him became an entrepreneur, manager, and leader in the Food and beverage industry. Using these skills, he was able to open his food and beverage business known as Manhattan Fish Market in 2002 (A&W Malaysia, 2021; Bernama, 2019).

George Ang is also the founder of Inter Mark Resources, a company that gained much popularity after acquiring A&W Malaysia. Worth noting is that despite being an experienced business man in the industry, Ang was also one of the customers who had enjoyed memorable moments in A&W. His father and mother had regularly taken him to Petaling Jaya drive-in. Therefore, he had some sentimental connection that arguably drove him to words wanting to see the company succeeding (A&W Malaysia, 2021; Bernama, 2019). From a business point of view, George Ang believes that there were some relatively easy measures that could be adopted to make the organization successful. For instance, he believed that the former owners, KUB, had not maintained or remodel most of the over 30 A&W outlets. The company was also under staffed, thus undermining the quality of the services and products it provided to customers. In addition, it practices were almost obsolete. For instance, it was the only first food restaurant that operated on 100% cash basis because it did not have credit card facilities. That means that by 2018, A&W was still adopting that was only suitable for the 1960s environment (A&W Malaysia, 2021; Bernama, 2019).

As indicated by Fernandez (2021), George Ang believes that the challenges the organization faced could be addressed relatively easy. Furthermore, A&W had certain strengths that could be leveraged to turn the organization around. Core product and strong brand awareness was the precise strength that he felt he could leverage on. The fact that A&W was the only the fast-food restaurant in Malaysia, and possibly the world, to create its own soft drink (Root beer) was an indication of the strengths. Root beer can only be found in A&W. In addition, other products such as Coney dogs, food chain carriers, and curly fries, are only found in A&W Malaysia.



Figure 4: Unique food item found only in A&W Malaysia

George Ang also engages in deliberate changing of A&W marketing approach. Initially, A&W's marketing approach was anchored on nostalgia. However, Ang argued that nostalgic only had an impact on people over the age of 40 years. These are the people who had interacted with the organization as it entered and operated in the Malaysian market during its days of glory. Unfortunately, this market segment was shrinking both in terms of size and consumption rate. On the other hand, the market it neglected, the under 40 years old, had more growth and consumption potentials. Members of the latter market segment were eat out more frequently and in large volumes. Therefore, his focus was to target this group of customers more effectively (Fernandez, 2021).

So far, MR George Ang turnaround strategy appears to be working. For instance, at the time he was acquiring the franchise, the organization had about 30 outlets. By June 2021, this number of outlets had doubled to reach 60. The company on 2<sup>nd</sup> June had actually opened a new outlet in G-Village, Desa Pandan despite the Covid-19 related challenges (A&W Malaysia, 2021). The positive progress of the company can also be highlighted by the fact A&W, after Ang took leadership, has been able to allocate about RM 22 million of capital expenditure (CAPEX) to establish between 20 and 22 outlets. Dessert's kiosks have been open in retail centers and shopping malls across the country. It also spends about RM 1.2. million per restaurant (The Star, 2021). Furthermore, the A&W did set a target of RM 100 million, which it achieved in 2019. Prior to that, the company had move from its lossmaking territory to record a profit of RM 70 million (Bernama, 2019).

# INIVERSITI TUN

**1.10.1 Future Plans** Ang plans for A&W is to expand aggressively. The company intends to have opened at least 100 outlets by the end of 2023, thus becoming one of top tree largest fast-food restaurants in the country (Bernama, 2019). A&W aggressive expansion plans will also include establishing more shop-lot stores and standalone drive through to increasing opening hours. In fact, some stand alone are expected to operate on 24hour basis. It will also open up new A&W express whose main goal would be to serve customers who want to enjoy RB floats or coney in a more convenient manner. The organization intends to deviate fully from the nostalgia marketing approach to focus on building and creating new experiences for its customers. The organization comprehensive plans and future aspiration under Ang leadership can be best highlighted by the organization's mission and vision

#### **1.11 Marketing Activities**

#### **1.11.1 Indoor Business Activities**

A&W Malaysia offers fast food business, has stood for almost 60 years still strong, despite almost losing. The big task that needs to be taken over by the New CEO Mr George Ang is to bring the best and best fast food companies in Malaysia back to the best. Assisted by the Marketing Manager to create a new line of promotions taken over by A new company, IMRSB to bring back the products- A&W Malaysia products are being received back with more. We can see positive developments taking place, where outlets started to increase from the previous date, after closing 20 outlets in 2014. Now A&W Malaysia has 47 outlets and the last one in Eko mall with a new look, original concept from A&W International and with menus which is great. New CEO Mr George Ang, promised his main target was to open branches to 60 stalls by 2019 and 100 stalls by the end of 2021, but the great Pandemic Covid19 has thwarted planning and turned into a target of 124 Outlets on or before 2024. With leadership A&W Malaysia's best marketing managers and team are able to change customers' perspectives that A&W products are the top choice of Malaysians.



Figure 5 Home delivery service with mascot bear

#### 1.11.2 Home Delivery Services

A&W Malaysia has started venturing into the home delivery concept with 5 restaurants in Kuala Lumpur, and has successfully influenced sales revenue before. The highest record ever made in 2010 with a price of rm 39k was recorded by A&W SS2 and Petaling Jaya branch, and A&W 3k Subang Jaya recorded a delivery revenue of rm 29k per month. This is because leadership from all levels of cooperation between branch managers and marketing has given good results. This is one of the strategic marketing to introduce every A&W Malaysia product. So far with good development with various delivery centers available such as FOODPANDA, LALAMOVE, GRABFOOD, MRSPEEDY, BUNGKUSIT, DAHMAKAN and others, it is easier for companies to just focus on the system. supplied and food preparation upon receipt of the order. The risk of delays will be reduced and delivery times will be better. with the new marketing division showing an increase in sales revenue. For improvement in the home delivery division IRMSB leadership has worked with all delivery hubs such as FOODPANDA.GRABFOOD, BUNGKUSIT with a joint agreement. This strategy has been done brilliantly where each delivery outlet, the sales revenue division that coming from home delivery is 20% of the total sale. This has exceeded the original target of the marketing division by 15% of the total sales revenue.



Figure 6 Ironic Product A & W Malaysia

PJ Drive-in Restaurant is one of the restaurants that generates the highest sales revenue of all A&W Malaysia stores. Daily income reached RM20,000.00 per day and the highest monthly record was in 2014, which in August achieved the highest sales revenue of RM639,500.00 at the end of August. Has a capacity of 320 seats at a time. Has an entrance car park of more than 50 waiting areas, operating 24 hours before the covid19 outbreak. The number of employees exceeds 100 employees from various subordinate positions including 2 Line Leader (LL), 4 Supervisor (SPV) positions, 4 as Shift Manager (SM), 4 as Assistant Manager (AM), 1 as Restaurant Manager (RM) and 1 as General Manager of the Restaurant .Senior Restaurant (SRGM) who is responsible for all restaurant operations.

#### 1.11.3 Products and Promotions Target Market

The marketing department is very aggressive under the management of CEO GEORGE ANG where each promotion must last 4 parts in one year. This is to ensure the attraction and desire of customers will meet the tastes of every situation. they came to A&W MALAYSIA restaurant. The Product that is a signature and favorite every time you visit must look attractive. It is able to fight the very fierce competition at this time.





Figure 7: Promotional images among competitors-Image produced by A&W Malaysia

#### 1.11.4 Why Customers Come To A&W Restaurants



Figure 8 Mascot picture with Malaysia A&W staff background food truck

A&W Malaysia's specialty is the bear mascot that attracts people's attention. When he goes out for events such as birthday celebrations, 100 years of A&W Malaysia celebrations and the management takes the opportunity to give them maximum satisfaction by giving a thank you note by taking pictures for free with this mascot.From this picture it can be seen that the maturity of the Malaysian A&W marketing department is competing again with major competitors in 5 years from now.

#### 1.11.5 The Opening of The Latest Outlets Between 2018-2021 Below (IMRSB)

A&W Buka Cawangan Restoran Ke-47 Di EkoCheras Mall



Figure 9 Image Nabila Razali, Chief Executive Officer Of A&W Malaysia, George Ang And David Lee, Director Of Supply Chain & Technical A Great American Brand Sdn. Bhd Opening New Outlet With Anniversary 100 Years A&W Malaysia

Company	Number of Restaurants	Estimated Annual Sales (in millions)	Market Share by Annual Sales
KFC	Ving SISI7810	\$87,480	40.65%
Pizza Hut	Modifyin 460	\$49,680	23.09%
McDonald's	282	\$30,456	14.15%
Domino Pizza	236	sinting \$25,488	11.84%
Burger King	88	\$9,504	4.42%
A&W	49	\$4,704	2.19%
Texas Chicken	73	\$7,884	3.66%
Total	3,365	\$215,196	100.0%

#### **1.11.6 Operations-Driven Company**

Table 2 Source 1: by Flanders Investment & Trade, Malaysia 2020

A&W has shown steady overall system sales growth over a long period of time, achieving compound annual growth of 6.5% since 2020. The following table shows the number of serviced restaurants operated in Malaysia in 2019 by five leading brands. Malaysian Instant Service Restaurants - Selected Comparative Statistics (as at 31 December 2020).In this table shows if the company has many
outlets and good management. Being able to generate higher sales results and the potential to grow will be better for the company growth.

#### 1.12 Franchised A&W Restaurant

#### **1.12.1 Etymology and Meaning of Franchise**

Although the franchise system is mostly used by private corporate businesses nowadays, the origin of the word franchise is actually a term used by the French government some time ago. In terms of its etymology, the English word franchise is taken from the original French word franchise meaning privilege. Franchise in Old French means freedom and exemption based on the word franc, which means free (Etymology Online Dictionary). In terms of terminology, Merriam-Webster defines a franchise as a right or license granted to an individual to trade a company's goods or services in a particular territory. According to the Board Dictionary, franchise means the right or permission granted (with certain conditions and payments) by the holding company (franchiser, owner) to the operator (franchisee) to market a product or service. Understanding this concept has been a problem to previous leadership. Where there are many disagreements until the A&W international brand ownership has issued a stern warning to A&W Malaysia under the leadership of TDM and KUB to continue to follow their standard of service fully or the action to withdraw the A&W brand license given to TDM and A&W Malaysia before This. Leaders who have no experience and are skilled in the science of franchises will indeed have a flaw in communication between the two directions. What happened during the IRMSB administration under CEO George Ang is quite different at all, because this entity is very skilled and understands the law- invite Franchises brand rights, where if you want to grow and get expert advice need to communicate between the brand licensee with the brand owner. This makes the understanding between A&W Malaysia under George Ang and A&W international is very good two ways communication for the company growth. Confidence is very clearly displayed with various collaborations have been signed by both parties. A&W International has given permission to IRMSB to reopen A&W outlets in Singapore.

#### 1.12.2 Fund Structure

A&W Malaysia will pay franchise fees (Funds) is through its ownership in A&W Trade Marks Inc. (Trade Marks) which is the sole general partner in the A&W Trade Marks Limited Partnership. Use owns the A&W trademark and licenses this trademark to A&W Malaysia. This brand has the absolute right to be used in operating and marketing the A&W product and service franchise. In return, A&W Malaysia is required to pay as a major royalty 3% of sales from A&W Malaysia restaurants for each outlet comprising 49 outlets. For example: Sales in 2020 is 34 million, it is the responsibility of A&W Malaysia to

pay 3% of this annual revenue as royalties

Average 49 outlet sale of the years 2020=RM34,000,000.00 X 3%

= *RM102,000.00 paid as royalty to A&W international Limited* 

More Malaysian A&W outlets continue to build and expand the A&W trademark and open new restaurants. Each year, the Royalty Pool is adjusted to include future royalty flows from new restaurants, following the sale of each permanently closed A&W restaurant. The Partnership pays A&W Malaysia Food Services for additional royalty flows from the net new restaurant by issuing additional limited partnership units (LP Units) in the Partnership. Additional LP units, at the option of A&W Food Services, may be exchanged for common stock for Trademarks. May schedule closing prices for each charge for an opened A&W Restaurant. If a restaurant in the Royalty Pool is closed, A&W Food Services pays royalties that will be paid to the Partnership if the restaurant is not closed, until the next adjustment to the Royalty Pool or may be forwarded to future outlets.



Figure 10: Ironic Product A & W Malaysia

After the acquisition of A&W Malaysia by IMRSB has continued to strengthen cooperation with A & w international because they know that only a & w inter can help and together rectify the situation of a & w Malaysia now. With a leadership team with decades of experience and background strong in operation. Combined with their franchise input led by - Kevin Bazner, President & CEO .IMRSB@A&W Malaysia is able to bring together front line experience and institutional knowledge. That allows A&W Malaysia to make changes to the brand based on long -term growth objectives, rather than decisions based on short -term rewards typically made by previous acquisitions or private equity investors. The brand of franchisee owners and rights holders in Malaysia. IMRSB, must work together to achieve the 2024 target of 124 outlets in Malaysia and be here for the long term, and the joint strategy can yield good results and plenty of room to grow. "This is an operations-driven company. Everyone on our leadership team, myself included, came from operations. So common sense prevails in every conversation that we have. And our franchise operators are in every one of those conversations. – Kevin Bazner, President & CEO

Restaurant	Name of Restaurant	Mode order	picture
Concept			
A&W Drive in	<ol> <li>PJ DRIVE IN @PJ STATE</li> <li>DAMAI PERDANA</li> <li>PANTAI BATU BURUK</li> </ol>	DRIVE IN The Walk of the Walk	
A&W DRIVE THRUU	<ol> <li>KOTA DAMANSARA</li> <li>SEREMBAN DRIVE THRU</li> <li>DAMAI</li> </ol>	MODE MANUAL SISTEM PANDU LAJU	
DELEVERY OUTLET	1. ALL RESTORAN	APLIKASI FOOD PANDA, GRABFOOD, LALAMOVE AND A&W HOME DELIVERY SERVICE TEAM.	CARE CARE AND PLATEORY COMPANY COMPA
TAKE AWAY KONSEP	1. ALL OUTLET IN MALYSIA	SENANG JER	2milo.com
CATERING/MOB ILE TRUCK FOOD/BIRTHDA Y EVENT	1. BASE ON HQ /PJDRIVE IN		

# 1.12.3 A&W Malaysia Restaurant Concept

 Table 3: A&W Concept All Income Sources

The table above shows the types of concepts that A&W Malaysia runs. The most famous concept is drive in where this concept is the first concept in Malaysia which is the only one next to PJ AMCORP Mall. After that, the concept that became the model of A&W Malaysia restaurant is drive thru which has 3 outlets. Currently, 44 restaurants have the concept of dine in, while the concept of take away is a restaurant that conducts business by take away and delivery amounting to 16. The concept of catering or mobile truck is based at the headquarters of A&W Malaysia itself. This concept only does business at each RNR or Event big like a football match in a stadium. Can see below table, all these concepts generate revenue for A&W Malaysia to continue to grow.

	PERIOD	OPENING OUTLET IN	REMARKS
	OF	AREA	
	PROJECT <sup>©</sup>		
	(YEAR)		
1	1963	1. A&W TUANKU ABD	1 <sup>st</sup> outlet fast food in Malaysia
	U	RAHMAN	
2	1965 Cool	2. A&W PJ DRIVE IN	1 <sup>st</sup> outlet concept in drive in
3	1970	3. A&W JALAN PUDU	The 3rd opening combination after
		Odifvin UN	receiving encouraging response
4	1982	4. A&W PANTAI BATU	Opening after tdm berhad company
		BURUK Sprinting	takes over
		5. A&W KEMAMAN	RAS
5	1985	6. SEREMBAN DRIVE	1 <sup>st</sup> concept drive thru in negeri
		THRU	Sembilan
6	1993	7. A&W KB MALL	Tdm berhad start to business
		8. A&W JURUNG	franchises A&W in Singapore and
		SINGAPORE	Thailand
		9. A&W BANGKOK	
		THAILAND	
7	1998	10. A7W 3K SUBANG	
		11. A7W BANDAR	
		KINRARA	
		12. A7W DAMAI CHERAS	
		13. A&W TESCO KOTA	
		BHARU	
		14. A&W RNR AYER	Opening Of New Restaurants To
		KEROH	Provide Competition And Increase
		15. A&W OBR SUNGAI	Sales Revenue.
		BULUH 16. A&W DATARAN	
		PAHLAWAN	
		ГАПLAWAIN	

#### 1.12.4 Past and Current Projects

		17. A&W IOI PUCHONG	
		18. BUKIT INDAH JOHOR	
		19. A&W BUKIT TINGGI	
		KLANG	
		20. A&W PUTRAJAYA	
8	2003	21. A&W SHAH ALAM	A&W Malaysia outlet Sunway
		SEKSYEN 7	close 2013 December rental high
		22. A&W KLANG PRADE	and outlet loss 2010-2013.
		23. A&W SEGAMAT	
		24. A&W SUNWAY	A&W Malaysia Outlet Shah Alam
		PIRAMID	Seksyen 7 close operation July
		25. A&WMID VALLEY	2019 issue outlet getting loss 2017
		26. A&WSRI PETALING	-2019
		27. SETAPAK SENTRAL	
		28. IOI KIOSK MAL	
		29. A&W TAMAN	
		COUTHNOGHT	
9	2009	30. A&W SS2 PJ	Pilot Outlet Fo Delivery Service
	2009	31. A&W BATU 3 SHAH	Fully System Home Delivery
		ALAM	Service Qsr
			Closure Of A&W Jalan Pudu Due
			To Outlet Not Making Profit For 5
	(		Consecutive Years
10	2013	32. A&W BUKIT BINTANG	Outlet A&W Ss2 Pj Had To
10	2013	33. A&W PENANG	Terminate Operation Due To Low
	Opyin	34. A&W TAIPING	Sales Results And Increased Rental
		35. A&W PANTAI	Of Shop Lots Has Caused Severe
		CAHAYA BULAN	Losses. Problems In An In The
		36. A&w IPOH SELATAN	Same Area Have Also Been One Of
		37. A&W RNR TAPAH	The Factors.
		20 A RIVERCANAT	
		MALL	In Sector 2014 24 Outlets Ware
11	2014	39. A&W CALTEX	In September 2014 24 Outlets Were
	2011	PUCHONG PRIMA	Terminated Operations To Avoid
			Serious Losses If This Decision
			Was Not Made. The Number Of
			Outlets Still Operating Is 19 Outlets
			Only
12	2015-2018	40. A&W SEREMBAN 2	Opened More In Malls That Are
	2010 2010	41. A&W RNR	Famous To Attract Customers.
		SEREMBAN SOURTH	
		42. A&W RNR	
		SEREMBAN NORTH	
		43. A&W KELUANG	
		MALL	
		44. A&W PARADIGM	
		MALL JB	
		45. A&W KL EAST MALL	
		46. A&W SETIA CITY	
		MALL	

		47. A&W IOI MALL
		PUTRAJAYA
		48. A&W SUNWAY
		VELOCITY
		49. A&W 1 MONTH
		KIARA
		50. A&W TTDI
		51. A&W CENTRAL I
		CITY
		52. A&WMIDVALLEY
		EXPRESS MID
		53. A&W IST AVENUE
		GOERGE TOWN
		54. A&W PJ PALM
		55. A&W GONG BADAK
		56. A&W RNR RAWANG
		57. A&W KAJANG MALL
		58. A&W RNR DENGKIL
		59. EXPRESS IOI CITY
		MALL PUTRAJAYA
13	2019	60. A&WPETRONOperations And Proposed Opening
	CURRENT	BANDAR SRI PUTRA Of New Outlets Continue To Be
		61. A&W USJ TAIPAN Funder Under The New Owner,
	U	62. A&W BANDAR BARU Imrsb Ceo George Ang. After The
	Copus	NILAI         Sale Of A&W From Kub To Imrsb
	VIN	63. A&W BANDARAYA
		MELAKA
		64. A&W CYBERJAYA
		65. EVA MALL BANGI
		66. EKO MALL
		67. A&W DPULZE
		CYBERJAYA
		68. A&W IOI PUCHONG II

Table 4 Past and Current Projects

The table above shows the movement of restaurant operations from opening to closing or changed to a more strategic place.

#### 1.13 Location

Headquarters No. 66, Jalan Sungai Burung Aa32/Aa Bukit Rimau, Seksyen 32 40460 Shah Alam Selangor Shah Alam; Selangor; Postal Code: 40460



Figure 11 Map Location of A&W Malaysia Headquarters

### **1.14 Industry Overview**

ndustry Overview The Malaysian Food and Beverage (F&B) industry is identified as a fastgrowing market and one of the major contributors to the national account. In 2018, the Malaysian Food and Beverage Industry was worth around € 22.12 billion, growing annually at a rate of 7.6%. The F&B industry is diverse with processed foods for Asian flavors and food options as well as many western recipes. The F&B sector is very diverse including cocoa and chocolate products, fishery products, cereals and grain products, processed fruits and vegetables, confectionery, foodstuffs, ingredients and spices, beverages, pet food, and others. Malaysia is heavily dependent on the importation of many staples such as rice, meat and seafood products for domestic

consumption. Many raw materials, such as dairy milk and wheat are imported for further production and export. Being an actual advantage of a fast-food chain company to continue to thrive due to demographic factors. IRMSB under MR George Ang needs to use all the features of knowledgeable leadership to study as deeply as possible the advantages available for A&W Malaysia in particular to continue to produce the best products, dedicated services and excellent operations. The fast food, is an important segment of the Malaysian overall F&B industry.

The segment is dominated by western styles fast food restaurant, precisely Kentucky Fried Chicken (KFC), Starbucks, Domino Pizza, MacDonald, and Pizza Hurt. Despite A&W being the first western style fast food to enter the Malaysian market, it no longer falls among the top contender in the industry. As of 2019, the top three positions were occupied by KFC, McDonalds, and Pizza Hut, each respectively controlling a market share of about 46%, 25%, and 14%. KFC has over 600 outlets compared to A&W 60 outlets. These company provide traditional fast-food items, namely fried chips, burgers, and sugar sweetened beverages (Xiao, Yang and Iqbal, 2019; Quoquab, et al., 2019). Other than American style restaurants, the industry also has local players. In addition, restaurants from other parts of the world are also beginning to enter into the market. Local Fast-food restaurants include Pappa Rich, Manhattan Fish Market, Secret Recipe, and Marry Brown, among others. Regional restaurant entering market include KyoChon, Sweetree, Bbq Chicken and Street Churros all from South Korean. Stuff'd and Franco from Singapore have also entered the market. The regional franchise begun entering the market just recently to take advantage of the growth potential offered by the Malaysian fast-food industry (Quoquab, et al., 2019)

#### **1.15** Competition

The food and beverage industry is a potential branch of the industry, there are many companies operating in the food and beverage industry sector. To survive, companies that are in this industry are not only required to be able to compete with other companies that are already in the market, but also with companies that have the potential to enter the industrial market. Based on the Structure-Behavior-Performance paradigm, the way business actors deal with competition in the industrial market as above will be reflected in the company's behavior which will ultimately affect the company's performance. This study aims to determine the market structure, behavior, and performance of the food and beverage industry in Malaysia during 2001-2010 and 2011-2018 to test the causal relationship between the structure, behavior, and performance of the industry. The data used is secondary data. The data was obtained by making informal interviews with several interested individuals in the company now and also former department heads such as Dato Wan mohd nor Ex kub berhad GMD (2008-2014), Harlina Ghazali Ex operation manager@acting General manager (2009-2014). In addition, an interview was also made to kub Malaysia Berhad's public communications department, Mrs Norashekin Binti Yusof. Likewise one of terengganu development Malaysia is Mr Muhammad Azrain Bin Mohd Kasim Senior Manager of Terengganu Development Malaysia Berhad. The questions that have been submitted relate to the company's previous level of achievement as well as the successes and problems faced during A&W Malaysia. This study uses descriptive methods and quantitative methods. Hypothesis testing techniques used are Simple Linear Regression analysis and Multiple Linear Regression. The results show that the food and beverage industry in Malaysia has a monopoly market competition. Industry behavior is reflected in product pricing strategies, product development strategies, and

advertising and promotion strategies. The performance of the food and beverage industry in Malaysia in 2001-2010 and 2011-2018 showed a normal level of profitability. The structure of the industrial market is proven to have a positive and significant impact on the behavior of the industry. Industry behavior has been shown to have a positive and significant impact on industry performance. The structure of the industrial market has proven to have a positive, and significant, impact on the performance of the industry. The structure of the industrial market and the behavior of the industry simultaneously, have a positive and significant impact on the performance of the industry.

# 1.16 Competitor of Fast-food Industry

No	Logo /company	Explanation
1	McDonald's	According to the Official Website of McDonalds (2006), McDonald's first established itself in Malaysia on April 29, 1982. The first McDonald's restaurant opened was in Jalan Bukit Bintang, Kuala Lumpur.McDonald's is operated by Golden Arches Restaurant Sdn Bhd, which has been approved by McDonald's Corporation in the USA. Through this agreement, Golden Arches Restaurants Sdn Bhd has received an exclusive license to open restaurants in Malaysia.McDonald's Corporation in the USA holds 49%equity. The rest is held by local partners namely 26% Tan Sri Vincent Tan and 25% Mohamed Shah bin Tan Sri Abdul Kadir.Golden Arches Restaurants Sdn Bhd operates 260 McDonald's restaurants throughout Malaysia,

			2025 target is the opening of 450 outlets than 10,000 job offering
2.	KFC Malaysia	A	Colonel Harland Sanders who had discovered the ingredients of fried chicken when he was 9.Kentucky Fried Chicken or better known as KFC as one of the franchises. KFC consists of 11 types of special herbs and spices from the United States.1973 was the first opening year for this KFC restaurant in Jalan Tuanku Abdul Rahman, Kuala Lumpur. 2018 KFC Malaysia is proud to open their 700th branch located in Bandar Sri Sendayan, Seremban.QSR Brands as the company that is the sole operator of the KFC and Pizza Hut franchises, JCORP BERHAD.
3.	Texas Chicken Malaysia	> S17 (ing,	Texas Chicken SDN BHD is a company based in Malaysia, with its head office in Melaka. The enterprise operates in the Cafeterias, Grill Buffets, and Buffets industry.Established on April 10, 2012. There was a net sales revenue increase of 24.74% reported in Texas Chicken Sdn Bhd's latest financial highlights for 2019.Total assets grew by 16.41%. Texas Chicken SDN BHD net profit margin increased by 3.17% in 2019.
4	Pizza Hut Malaysia	A	QSR Brands (M) Holdings SDN BHD (QSR): A franchisee of Pizza Hut in Malaysia.extensively involved in breeder and contract broiler farming, hatchery and poultry production and processing,host of ancillary businesses including baking, commissary and sauce production.Pizza Hut chain has growth to more than 350 restaurants is the largest pizza chain in Malaysia, QSR Group is confident that its pizza chain will continue to

		completely dominate this sector and will be able to
		powerfully fend off any new
		competition.concepts: Pizza Hut Restaurant &
		Pizza Hut Delivery. Pizza Hut Restaurant offers a
		cosy & friendly ambience coupled with great
		hospitality Pizza Hut Delivery provides
		guaranteed hot & fresh pizza within promised
		delivery time in a convenient setting for added
		comfort.
5	Domino s pizza 🔶	Domino's Pizza is the world's leading and fastest
		growing pizza delivery company committed to
		upholding the industry in product quality and
		operational excellence. 200 Domino's Pizza stores
	<b>W</b>	in the country. Domino's Pizza Malaysia's online
		ordering platform is also ranked #1 for its online
		speed of service in the QSR industry.Confidence
	CODINIVED	by Malaysian consumers, Domino's Pizza won
	ing, moris	by Malaysian consumers, Domino's Pizza won Bronze in the "Restaurant & Fast Food" category of the prestigious Putra Brand Awards 2014, silver in 2015 and bronze in 2016.
	inging	of the prestigious Putra Brand Awards 2014, silver
		in 2015 and bronze in 2016.
6	Burger king Malaysia 🗲	Local franchisee Cosmo Restaurants Sdn Bhd
		(Burger King Malaysia) said the new restaurants
		would bear a new visual identity and the set-up
		cost would amount up to RM30 million.Burger
	BURGER	King Malaysia currently manages over 120
	K	restaurants in Malaysia. The brand is rolling out a
		new brand logo, packaging, crew uniforms and
		restaurant signage and décor.Burger King, which
		is undertaking its first complete rebrand in over 20
		years, aims to grow its restaurant base in Malaysia
		by a further 20% or 25 restaurants by this year.

 Table 5 List of A&W Malaysia Direct Competitors in the Fast-Food Industry

# 1.17 SWOT Analysis

Based on data and inputs collected from interviews, thorough observations and self -understanding, SWOT analysis tools are used to identify, organize and strategically demonstrate strengths, weaknesses, opportunities and threats to A&W Malaysia leading fast food chain.

# **1.17.1 Internal Factors**

Strengths		Weaknesses
Mark	eting	
Has The Best Product in The World	W1	Product piracy Root beer becomes
Coney Chicken @ Beef and Root		a major problem.
Beer Float Ice Cream		
Concentrated Syrup Robot Beer	W2	A&W does not highlight fried
Flavor Ingredient That Is Unmatched		chicken products because the
In The World.		current favorite trend is fried
S, Or reprint:	BDU	chicken
Strong Brand Affected Around the	W3	Expensive price example 1 Moza
World Since 1919 In the USA And		Burger Ala Carter rm 12.50
1963 Started in Malaysia		compare MCD Double mac burger
		only RM 8.90 per Ala-Carter
arch And Development		
Strategic Location, For Example,	W4	Development training process to
Padang MPPJ, Sultan Road, The		improve skills not follow standard.
Oldest Outlet Since 1969, A&W		
Drive In		
agement Team		
MR Bear Mascot Is the Main	W5	High turnover due to the leader in
Attraction of Customer Enjoy		each restaurant is not skilled to
Environment.		control the existing staff.
	Has The Best Product in The World Coney Chicken @ Beef and Root Beer Float Ice Cream Concentrated Syrup Robot Beer Flavor Ingredient That Is Unmatched In The World. Strong Brand Affected Around the World Since 1919 In the USA And 1963 Started in Malaysia arch And Development Strategic Location, For Example, Padang MPPJ, Sultan Road, The Oldest Outlet Since 1969, A&W Drive In agement Team MR Bear Mascot Is the Main Attraction of Customer Enjoy	MarketingHas The Best Product in The WorldW1Coney Chicken @ Beef and RootBeer Float Ice CreamConcentrated Syrup Robot BeerW2Flavor Ingredient That Is UnmatchedW2Flavor Ingredient That Is UnmatchedW3Strong Brand Affected Around theW3World Since 1919 In the USA And1963 Started in MalaysiaStrategic Location, For Example,W4Padang MPPJ, Sultan Road, TheV4Oldest Outlet Since 1969, A&WV1Drive InIagement TeamW5MR Bear Mascot Is the MainW5

S6	Strong Cash Flow After Being Taken	W6	Low salary scale compared to
	by IMRSB		other competitors,
<b>S</b> 7	Have a Leader Who Has Almost 20	W7	High turn over due to the leader in
	Years of Experience in The Field Of		each restaurant is not skilled to
	F&B.		control the existing staff.
	I	I	
<b>S</b> 8	Chain Promotion in Good Product	W8	Poor service is the main problem
	Segments, For Example, Coney		due to lack of staff refer and
	Chicken @ Beef Promotion. Called		SPEED OF SERVICE more than
	Coney Chicken @ Beef Tuesday		standard 2:45 second,
	"Only Rm 5 With Small Robot Beer		
S9	Fully Controlled by An IMRSB	W9	Local suppliers who are not
	Company That Owns 100 Fast Food		uniform in shipping rules lead to
	Restaurants Such as Manhattan Fish		less shipped and damaged goods.
	Tony Roma's Shark Steak.		
S10	Leader Who Has Almost expert	W10	Past issues such as dirty outlets
	about The Field of F&B division also		make customers reluctant to come.
	about The Field of F&B division also familiar with F&B culture <i>Table 6 Internal Factor</i>		11
	Table 6 Internal Factor	s of A&W	7 Malaysia
	·· / []]	g, is p	RAZ
		101	Permi
			inted.
1.17.	2 External Factors		

# 1.17.2 External Factors

	Opportunities			Threats
Polit	ical / Governmental (JA)	KIM and KD	NKK)	
01	Provide Products	That Are	T1	Covid19 Who Are Almost 1 Year
	Guaranteed Halal.			And Over Have Made Daily Sales
				Drop Sharply
Econ	omical			
02	Segment Product in	The Update	T2	Strong Competition At The Moment
	Always Follows the C	urrent Trend		KFC, McDonald , Texas Chiken,

	for Example Hari Raya. CONNEY		Pizza Hut, Domino's. All Of Them
	Chic/Beef with Satay Gravy Sauce.		Have Great Core Products.
03	A Good Cash Flow Allows You To	T3	If The Promotion Is Weak.
	Open Many Restaurants.potential		
	area for A&W Malaysia aggressive		
	for open more .		
Socia	al / Cultural / Demographical		
04	Ordinary Staff Salaries Are Raised	T4	Cooperation Between A&W
	So That They Are Not Looking For		Malaysia and A&W International
	Higher People And This Can Reduce		Cannot Be Restored If not work
	Turnover. The competition to steal		together.
	staff in fast food companies is to		-
	make sure they get experienced staff		
05	Standardize And Prepare a Guideline	T5	Franchise Rights Can Be Revoked If
	for Suppliers Who Want to Supply	1	Not In Accordance With The
	and Send The Product In Sufficient	Υ.	Product Quality Rule Set By
	Quantity And Good Quality	BD,	International ' @' A & W.
06	Increase Standalone Restaurants	T6	Franchise Rights Can Be Revoked If
	That Have The Concept Of Drive In	10	Not In Accordance With The
	And Drive Thru.		Product Quality Rule Set By
			International ' @' A & W.
Tech	nological	1	
07	Hire Experienced Workers and	Τ7	A Lot of Wastages without control
	Offer High Salaries for Them.		and Weak Inventory System.
08	Update And Upgrade The Latest	T8	Product Stolen Eaten Sold Without
	Counter System By Not Only		Punching In System Counter 2020
	Taking Orders At The Counter But		system show cancel order more
	Customers Can Place Orders		than 15% from sale.
	Online Or Vending Machines		
	Placed On The Premises.		
Lega	1		-

09	Lost Cost Items Out of Control	T9	Imitation Products Using The
	are becoming the most feared		A&W Brand
	cause for company costs to be		
	higher		
Enviro	nmental	L	
O10	Build An A&W College Training	T10	Track Record Involves The
	Center In Collaboration With		experience Of a Disappointed
	A&W International To Produce		Customer Who Is Difficult To Fix.
	An Operations Team That		
	Efficient And Fast.		

Table 7 External Factors Of A&W Malaysia

## 1.18 Porter's Five Forces A&W Malaysia



Figure 12- Five porters

#### **1.18.1 Forces I: Threat of New entrants**

Threats of newcomers to the industry Threats of newcomers are considered a major strength in competition as this analysis provides information on the resilience and reaction of existing competitors. There are several barriers for A&W Malaysia to enter such as: capital requirements, regulatory and legal barriers, fee swaps and product differences, economies of scale, limited access to distribution channels due to under 50 outlets and barriers offered by existing trade: Companies like A&W must develop competitive strategies that differentiate them from competitors. A&W

Malaysia needs to make huge investments to remain competitive due to the size of its population and country. Malaysia has 14 countries and about 70 cities with more than 200 thousand people and a number of shopping malls and represents a large market. The mall is strategically located and very expensive to rent a surface like A&W Malaysia restaurant. In addition, it is very expensive to register a Francises company compared to other countries because the legislation and regulations take a long time and the wages are too high. However, Malaysia is known for its open market system and confirms that the company does not take long to open a company or franchise. This process involves several steps and represents more cost for the company. The two most important conditions are a commercial license and a sanitary license that guarantee the operation of commercial activities. In addition, A&W Malaysia faces stiff competition in Malaysia due to the expansion of other national and international food chains. In Malaysia, the fast food sector is very competitive and its competitors, Especially A&W Malaysia are: National (local chain in the country) International (foreign chain) McDonald's, Burger King, KFC, Pizza Hut, Texas chicken and Domino's pizza. nting, is not permitted.

#### 1.18.2 Force II: Threats of substitutions

Product replacement product threats. Substitutes are products from other industries that offer the same benefits to consumers as products produced by companies in that industry for example when A&W malaysia sells burgers other competitors such as MacDonal also do the same. However, replacement can also be something that meets the same requirements as industrial products such as making a home delivery service and competitors also provide such services. The level of threat from a particular replacement will depend on two factors: the extent to which the

price and performance of the replacement match the industrial product and the willingness of the buyer to switch to a replacement. In the fast food industry, including A&W Malaysia, the threat of substitution is now greater than ever with the fast food industry in Malaysia growing, the marketing division needs to be more creative to compete with Malaysian A&W competitors. More food shops offer similar products to the annual event, convenience stores located at Petronas petrol stations and Kota Damansara - selling lots of food such as hot dogs, hamburgers, pizza etc. This friendly shop also offers a wider selection of beverages than at A & w Malaysia fast food restaurant. Malaysians prefer real Root beer than soda and juice "Fast Food Restaurants in Malaysia especially in the mud" fresh, healthy and cheap. Fast food can be found on every street corner in Kuala Lumpur, usually open on the street and can be considered very competitive in terms of the threat of replacing A&W Malaysia and all traditional fast food restaurants. However, in terms of quality and cleanliness, A&W restaurants can be considered more competitive than roadside shops because <sup>19, or reprinting, is not permitted.</sup> they have standard procedures.

#### **1.18.3 Force III: Power of Buyer**

Power of Buyer or customer strength Buyer strength refers to the pressure these consumers can put on a business so that they can provide higher quality products, better customer service, and lower prices. The ability of industrial customers to influence prices and purchasing conditions depends on several factors. In Malaysia consumers have more power to buy fast food products including A&W because they can demand what kind of products they want to see from them. In other words "customers are always right" Today, consumers are demanding healthier food and beverage options from fast food restaurants like A&W Malaysia. Today, with the growing middle class in Malaysia - about 50% of Malaysians - A&W Malaysia is able to offer their products to a large number of customers. These customers tend to only buy classic cash menus, Waffle ice cream, Burger Mozza which means shoppers have a relatively weak strength. However, buyers have a wide range of options as the fast food industry in Malaysia consists of a large number of members and succeed which reduces the strength of fast food companies including A&W Malaysia and increases the strength of customers. Although there is strong purchasing power in Malaysia, they do not affect the price at all. Malaysia is one of the countries that still uses Chill Mug for restaurant drinks and some countries have started using paper cups only and it is considered ironic for fast food restaurants in Malaysia.

# 1.18.4 Forces IV: The power of suppliers

The power of suppliers The presence of strong suppliers reduces profits and can increase competition in the industry by threatening to increase prices or reduce the quality of products and services. This causes them to reduce profits in an industry where A&W cannot get cost increases at their own price. The main factors determining supplier strength are: the uniqueness and scarcity of the resources supplied by the supplier, the cost of switching to other sources, how many other industries require these resources and the number and size of resource suppliers. A&W suppliers in Malaysia are less powerful because the resources they supply are not scarce, there are many substitutes for supplying the resources A&W needs, switching costs are low and also because companies in the industry purchase the same amount of resources.

#### 1.18.5 Forces V: Intensity of Competition

Intensity of Competition between businesses in an industry Industrial competition typically takes the form of jockeys for positions using a variety of tactics (e.g., price competition, ad wars, product introductions). This competition tends to increase in intensity when companies feel competitive pressure or see opportunities to improve their position. When consumers in Malaysia think of CONEY Dog Beef/Chicken or root beer, they think of A&W Malaysia. History and prestige give A&W Malaysia an advantage over other international and / or local networks. Prices remain low because of the enormous ability of wealth to influence price margins and national development to make up for the decline in other major cities. Many stores are also satisfying consumers happily under a new administration that is beginning to increase efficiency. Being in the industry for so long since 1963 has allowed A&W Malaysia to lock in Malaysian suppliers back after cash flow under the new administration was determined at a beneficial price.

Competition is high when there are only a few of the same businesses selling a product or service, when the industry is growing and when consumers can easily switch to competitors that offer it at little cost. In this case, we can assume that A&W Malaysia has several advantages because in Malaysia there are a number of competitors who do not sell similar products and because A&W Malaysia offers the best products at affordable prices. But, in Malaysia, the fast food industry is growing and convenience stores or fast food restaurants are able to offer less extensive products due to franchise issues.

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#### 1.19 Specific Areas of Recommendation

I). Drafting a Plan. Leadership Development Training

A leader needs to have leadership competencies to enable him to perform the roles and functions of a leader effectively. Organizations need to identify the competencies needed by a leader in the organization because leadership competencies may differ based on the core business of an organization. A&W products are still strong in the hearts of customers in Malaysia. There are many models of leadership competence. The competencies of a leader need to be tailored based on the role and function of the leader The competencies required by a leader according to Abbott's Leadership Competency Model are:

- Set a vision and strategy-Create and communicate a vision of the future to maximize the company's performance to control any mismanagement that will occur can be corrected quickly. Set strategies and actions to achieve the long term vision that allows the leadership to make the right decisions. At the same time the strategic decisions made may be less popular and awkward. But as a leader there needs to be self -confidence
- Build an easy -to -understand organization-Attract and develop people to maximize Inspire the collective skills of the organization to ensure the selected team has the skills or strengths of their own to create great ideas. Inspire and motivate people to achieve the intentions, vision and strategic goals of the organization in other words a necessary leader who is principled and has a leadership aura that convincing all troops to keep fighting.
- *Learn Business*-Understanding customers, business operations and the problems that arise is the most complicated thing, but with the training and development

applied by the company to build the capability of employees and highlight their skills

- Driving Results-Set high goals for organizational success and personal achievement. And to lead to meet or surpass those goals in whatever obstacles, the results must be solid for the success of A&W Malaysia
- Make Difficult Decisions-Makes timely decisions in the face of obstacles, difficulties, and challenges. A leader who has great leadership qualities in decision making but is great at giving accurate instructions. Act decisively, showing confidence and the strength of one's beliefs.
- Encourage Open Communication-Creating a culture of open and honest communication and Knowledge Sharing where everyone is motivated and free to express their views. This tradition is the truth to a company's success, good communication, great company journey

Organizations in new leadership need to prepare a development plan or training plan for each outlet manager competency based on the leadership competencies that are already known for sure. This structured development plan or training plan must be implemented in each outlet manager. At the entry and intermediate levels, outlet manager candidates, assistants or any candidate leading in operations should be exposed to the courses for the generic and functional competency requirements required by the officer in his or her duties and jobs. At the higher grade level, the next outlet manager should be exposed to leadership courses including for leadership courses offered by training such as

The first level of Leading are shift (LAS) for all levels of outlet managers, assistant managers, shift managers and line leaders who will be promoted as shift managers

- The second level is Leading Are Restaurant (LAR) for all levels of outlet manager, 1st assistant manager, and shift manager who will be promoted to 1st assistant manager.
- The third rank is Leading are management (LAM) for the rank of operations manager, area manager and restaurant manager who will be promoted to area manager.
- The Fourth level all levels For the Leadership and Key Management course organized by International A&W, it was agreed that the acquired traits inherent in visionary, have leadership ability, strategic business intelligent and exemplary personality. In each case, a package of training modules covering all relevant aspects has been created as follows:

Module 1: Vision

Module 2: Leading and Managing Change

Module 3: Leading People

Module 4: Strategic Coordination (Building Combinations)

Module 5: Vision

I). In addition, department heads also provide for overseas leadership courses such as the Stanford Executive Program and Advance Management Program courses at Oxford and Harvard as well as the Premier Leadership and Strategic Consulting courses organized by the Harvard Club.

is not

II). Work Cycle Disclosure is not only beneficial in enhancing the knowledge and work experience of an officer in several different areas of work and skills, the content can also provide exposure and leadership capacity for a department head. In this regard, the Placement guide in some organizations can also provide useful exposure to a particular department head and business segment, vision and mission, values, work culture and ethics, strategies and tactics, commitment and team spirit that certainly differ between one organization and other organizations. Placement as a leader in a small organization will also indirectly help the leadership characteristics of an outlet head for example.

III) Coaching Program-Most managers need guidance and mentoring in their work performance efforts and realizing their leadership potential. job performance and lead performance. This can be done by providing exposure and guidance and early stage to all outlet heads and assistants, examples in aspects, operational ideas, programs and activities, mentoring in work delegation, empowerment and decision making. One of the training methods that can be implemented is through the following process:

#### FROM THIS

#### TO THIS

Lacks of focus in people accountability	High accountability and use process to					
and development	drive people development					
Filling Vacancies only as needed	Being prepared with supply of					
Copying ERSIT	Talents/choice the best employee					
Team members and Manager burn	Improves the quality of lives of Team					
out/leaving	members and Manger					
Low internal promotion	High internal promotion and awareness					
and poor understanding of career path	of career path					
Table 8 Tranning methods process	Cled.					

#### 1.20 Strategies For A&W Malaysia

Consists of strategic Segmentation, Differentiation strategic and Cost leadership. Strategic segmentation is a marketing strategy that divides a broad target market into groups of consumers who have the same general needs. Strategic differentiation is the act of designing a set of meaningful differences to differentiate a firm's offering from competitors' offerings. Strategic cost leadership is a competitive strategy in which companies succeed in producing goods or services at the lowest cost in their industry. At A&W Malaysia company, the strategy used is the **Segmentation Strategy** and the Differentiation Strategy, which combines a market segmentation strategy with a product differentiation strategy that is seen as an effective way of matching the company's product strategy with the characteristics of the demand-side target market segment. The combination of **Cost Leadership** such as cost with product differentiation is seen as difficult to implement because of the potential conflict between cost minimization and the added cost of value-added differentiation. The strategic business of the Malaysian A&W company chaired by their new CEO George Ang is Strategic Focus. Strategic focus is a business unit strategy that focuses on one or more narrow market segments rather than pursuing a larger market. A&W evaluates the strategic focus of the fast-food business. A&W main strategy consists of:

- Build a new restaurant in a strategic place the establishment of a branch is more in a densely populated and busy area
- Build a solid team within the Malaysian A&W company
- Expanding and strengthening the company's capabilities in strategy and climate (international A&W organizational culture)
- And keep and maintain their good name A&W Malaysia

#### 1.20.1 Theory of leadership

First Level (1)- Some growth: Some people experience growth at a very slow rate and their growth lacks direction. They will never shine in their jobs.

Second Level (2)-Growth that makes them capable in their job: Some people simply do their job well and stop here in the growth process because they are without a good development program or have no strong desire for personal growth

Third Level (3)- Growth that makes them able to reproduce themselves in their job: People begin to add to their value because they are able to train others in their area of expertise. People who are able to do this are people who are technically strong but with marginal leadership skills and people with strong leadership skills but marginal technical abilities. Bernard (1985: 26-40 Defines leadership style as an influence on employees to achieve organizational goals.

Fourth Level (4)-Growth that takes them to a higher-level job: People who are willing to dedicate themselves to growing both personally and professionally. Able to broaden their thinking and experience and in the process, become more capable and valuable to their organization and leaders. Abdul Rahman (2010: 9)

Fifth Level (5)-Growth that allows them to handle any job: The great leaders begin to emerge. These people are true developers of people, and they no longer add value to their leaders and organization - They multiply it. Thoha (1995: 37) It is also defined as the behavior or way that the leader chooses and uses in influencing the thoughts, feelings, attitudes and behavior of his subordinates nting, is not permitted.

#### **1.21** Conclusion

From all the information in the control of every company that took over A&W Malaysia, trying to make fast food is very ironic with the 80s and 90s generation. The Problem come to due poor management and administration, and lack of knowledge in the fast food business. They are based solely on tradition and memory, as well as unskilled attempts at running a fast food company without long -term planning and strategy. This is what happened to the two largest companies in Malaysia, namely KUB and TDM Berhad. Incomplete development research, can pose a high risk of loss, so they have to sell their existing interests without making a profit, and have to

choose a way out of the constraints of the many debts they incur.Communication with the International franchise has a positive impact on the development of A&W Malaysia itself and brings consistent group profits. the concept of opening many new branches without research has proven to be one of the wrong strategies. Less or not Innovative, non Creative and less competitive ways of thinking will not bring profit but can bring complexity to a company's financial system. George Ang, cultivating the dream, by 2024 A&W Malaysia has 124 branches across Malaysia, and ensured the reopening of branches in Singapore which were previously closed in 2001

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#### **PART 2: CASE ANALYSIS**

#### 2.0 Case Synopsis

In part two (2) of this study examines how one of the oldest companies in Malaysia faces some difficulties in the governance of their operations. Every exchange from the first franchisee to the current holder of IMRSB has shown a chronology of growth and competition as well as difficulties in facing the highly challenging fast food business operations. Starting from the couple MR's Lie boff who are only based on the goal of bringing favorite foods and western traditions to Malaysia without enough business experience. The company changed hands from Terengganu Development Malaysia (TDM) which is also not a specific field in the fast-food business trying to maintain the tradition of western food which is the first in Malaysia to remain intact here. With the same problem, the exchange of companies is trying to be taken over by KUB BERHAD to try to get out of the cocoon of inefficient management problems. A good attempt but not hard enough because turning to the experience of operating a fast-food company requires extensive experience in handling the best fast food in the world.

Finally, the latest exchange shows results that can give a picture of the problems that have become a tradition in A&W Malaysia will try to be reduced to be controlled by new CEO who has more experience more than 20 years in the governance of fast-food companies that is Mr George ANG. This study will examine the problems that occur and solutions that will be presented in detail in this report.

#### 2.1 Problem Recognition

As indicated in part one (1), A&W has under gone four phases. Each phase is characterized by a different leader/owner who unfortunately had to let go off his/her ownership because he or she was unable to led the company through the next stage of advancement. MR's Lie was for instance unable to lead the organization during a period of emerging competition and changing customers' reaction. When competition emerged, the leaders were not able to help the company adjust quickly, causing it to lose its appeal. Same case was observed under TDM, and KUB. The inability of the leaders to lead A&W effectively during different period of its business life-cycle arguably pushed it into a full-scale crisis. On sensing a crisis, its previous leaders opted to dispose of it, implying that they lack leadership resiliency, which consequently could affect the resiliency of the organization.

# 2.2 Problem Definition Odifying, or

In this case study. Two critical problems that can be resolved are the faced by A&W Malaysia before and at the beginning of the company's acquisition from KUB BERHAD to IMRSB. These two problems are:

1. High turnover due to the leader in each restaurant is not skilled to control the existing staff. Based on 2019 percentage of turnover overall 49 outlet 17% compared 2020 up to 20%.

2. Development training process to improve skills not follow standard .2018 fully RM handle the store only 17 person .2019 after IMRSM take over due improvement training department. Restaurant handle by fully RM up to 35 persons. Compared 2020 restaurant handling by fully RM 45 person only 15 person acting@ 1st assistant manager lead the restaurant.

The definition that can be explained in the first problem is that many of the heads appointed for each restaurant do not have good communication skills with subordinate employees. In other words, all appointed restaurant management values the attitude of a leader who only gives instructions, not helping together in the conduct of operations. Many subordinate employees could not stand the attitude of the internal management of the receptionist who only knew how to give instructions. In a busy state, many of their customers are just giving instructions and employees feel the brand itself as a human -operated robot. Communication skills are very indirect to them. This caused many subordinates to quit abruptly. The implications of this are that operations are disrupted, service is very poor, the condition of the restaurant is not managed into an uncontrollable atmosphere such as, delivery and preparation of food to customers is delayed. Many complaints were received due to lack of employees due to poor restaurant management system. This is closely related to inefficient skills and management. A&W human resources need to take the initiative by finding employees who are experienced in good restaurant governance. Conduct employee search by offering lucrative salaries to attract many qualified and skilled restaurant management Dermitted to join A&W Malaysia.

The second problem also involves the planning of the management layout for each restaurant with sufficient members and according to the capacity of the ability to pay salaries according to the sales revenue of each restaurant. Problems that occur. When a restaurant with a single store capacity where, sales revenue is only in the range of RM 100k or less but placed members who include a high salary scale capacity. For example, each restaurant must reach 8% of sales revenue for salary payment for each restaurant management: Sale restaurant A&W SS2 monthly income is RM 100K per month. The budget given is 8% of sales revenuer 100,000 X 8/100 = Rm 8000 for Management Salary In the restaurant A&W SS2 is just necessary

1 -Restaurant Manager with a salary of RM 3000

1- First Assistant Manager with a salary of RM 2000

2 -Shift managers with a salary of RM 1500 each for a total of RM 3000

(For 2 shifts Operation)

From what is displayed, the problem is that the superiors have made the wrong arrangement so that the cost incurred for the payment of salaries to the restaurant management is very high and cause half of the restaurants with capacity and sales revenue below 70k also have the same amount of management. it should not have a lot of management. In this issue, there are also many lead managers who are not Fully title restaurant manager. This causes the restaurant management to be inefficient in management. Because the experience of an acting restaurant manager is less than Fully restaurant manager. Related to that, the management in A&W also faces problems in the administration of efficient training and development. The previously inefficient training and development governance system led to problems related to skills in service. The impact of this problem will also cause the restaurant to face problems in operations that lead to customer dissatisfaction.

All the three perspectives of resiliency will be adopted to analyze leadership resiliency in the case of A&W Malaysia. The theoretical model proposed by link Duchek (2020), will particularly be used for the case analysis because it incorporates the three perspectives (see figure iv). In terms of the process-oriented approach, the model suggests that organizational resiliency involves anticipating, coping, and adapting to changes in the environment. From an outcome perspective, anticipation helps the organization prepare. Coping helps the organization develop and implement solution, while adaption help the organization reflect, learn and change accordingly. From a capability perspective, an organization needs resource capability to anticipate a crisis, social resources to cope, and power and responsibility related resources to adapt.



Figure 13: Organization Resiliency Theoritical Model

#### 2.4 Problem Diagnosis

oblem Diagnosis Problem diagnosis involves applying the above theoretical model (figure iv), to leadership process adopted in A&W Malaysia. The model will be applied starting from the time, A&W was established too currently. This model clearly shows how a ruling leader assumes the responsibility of planning a more organized organization. It must be clear that this leadership is able to solve problems that arise immediately or even able to give a good impact in the administrative layout of A&W Malaysia.

# 2.4.1 Anticipation

Key For Anticipation	BOFF	TDM	KUB	IMRSB
Glide to where the opportunity will go, not to				
where it already is. "Looking for new				
opportunities				
Always one step ahead of others, not because				
of his size or speed				•
Positioning ourselves as better leaders in				
whatever we want to achieve.			•	•
Seeing something ignored by others of another				
company.				•
Educated guessing and skills Anticipating				
exactly what will happen in the future, it will				
be extraordinary and investing in the right stocks.				
Make money in a fast -paced restaurant				
10 Intin	is not per	AZAK	$\checkmark$	✓
Constantly thinking as well as Ability to		nitted		
anticipate ~ makes it one of the competitors of				V
all time.				

Table 9 Key For Anticipation

As highlighted by figure 1, anticipation resilience is focused on observing and identifying possible changes in the operating environment and hence preparing appropriately. Starting with the phase 1 of A &W that occurred between 1963-1981, it seems that the founders and leaders at the time, particularly Mr. and MR's Lie Boff

did not possess this resilience. The founders in essence failed to anticipate and hence prepare for the effect of their foreign counterpart entering the market.

Immediately after KFC and McDonald entered the Malaysian market around 1982, A&W Malaysia's sales revenue began declining.

Failure to anticipate is another reasons that undermined the resiliency of the TDM, the leaders that took ownership of A&W after Mr. and MR's Lie Boff. It seems these leaders did not anticipate the challenges A&W was facing and that is why their best effort to revive the company failed. Even after 10 years of operating A&W Malaysia, TDM still performed poorly, as competition between McDonald's and KFC intensified. Arguably, it eventually became clear to this organization that they lacked the resilient needed to survive in the fast food industry. Therefore, they decided to surrender their ownership and leadership to KUB BERHAD in 2001 (KUB Malaysia BERHAD, 2001).

KUB BERHAD also appeared to have failed to anticipate the challenges, thus undermining their resiliency in leading A&W through a crisis. As earlier noted, A&W was forced to close about 26 outlets under the leadership of KUB. In fact, the situation was so dire that KUB was forced to sell the Iconic PJ Sec 52 drive in. As a confirmation in lacking resiliency in leading A&W through the challenges, KUB was forced to dispose the organization to IMRSB in 2018 (A&W Malaysia, 2021). In fact, KUB gave up leading A&W, after only 17 years. Its predecessor coupled Lie Boff did own and thus lead the company for 18 years, while TDM led for 20 years.

While there is so much optimism under the leadership IMRSB through Ang, it would be premature to conclude that this leadership possess the resiliency needed to revive and lead A&W through a crisis. Compared to the previous leaders, Ang has been leading A&W for just over 2 years. However, the transformation strategy that involves injecting more funds, about RM 22 million annually, refurbishing the restaurant and products, enhancing quality of service, and changing marketing strategy from a nostalgic based one to that is focused on building new memories, indicates that Ang and his company anticipated the challenges and hence prepared for them. Furthermore, the leader has been operating in the FB industry of almost 17 years and has established successful businesses, such as the Manhattan Fish Market. He therefore likely to be in possession of knowledge base essential for resiliency.

## 2.4.2 Coping

10 Coping Strategies for How To Deal with	BOOF	TDM	KUB	IMRSB
Stress and Business at A&W Malaysia				
1.Recognize Stress-Discovering the first steps to				
overcoming stress and solving problems.				•
2. Show Gratitude to those who help you and				
need help or advice.				•
3. Don't Expect Perfection too high, it will only				
cause a lot of stress when you are hard to	UL R			•
achieve.	hot perm	<ak< td=""><td></td><td></td></ak<>		
4. Just Worry What You Can Handle	.,,	Itted.		
5. Get used to focusing on the skills and apes we			$\checkmark$	$\checkmark$
have.				
6. Find a Routine and Follow It Whatever your		$\checkmark$	$\checkmark$	$\checkmark$
business, the source of stress is like you don't		•	•	•
have enough time to finish it all.				
7. Spend time for recreational activities with the				
team such as family day.				•
8. Forgive Mistakes Quickly Noticing things				
that go wrong is the best way to increase your				•
stress levels.				
--	--	--		
9. Representation-A common source of stress in				
business is taking on too high a responsibility.				
Sharing with the team				
10. The business arena is almost always serious,				
but can actually contribute to the stress often felt				
by business leaders. Friendly time				

Table 10 Key For Coping

When it comes to the coping aspect of resiliency, it is clear that resiliency levels of leaders who surrendered ownership of A&W was wanting. Coping is about accepting a crisis when it happens and developing and implementing solutions to deal with them and eventually overcoming them (Duchek, 2020). An organization that anticipates a crisis is better position to cope with it when it happens. MR's Lie Boff did not only anticipate the impact of new foreign entry and the fact that customers' curiosity was declining. The curiosity was satisfied with years of A&W operating and the entry of new participants. Therefore, they needed something else to rejuvenate their interest. Because they did not anticipate, MR's Lie Boff failed to develop and implement appropriate solutions. It was the same case with the other 2 owners that came after them. However, measures so far taken by George Ang signaled that he is developing and implementing solution that could enhance resiliency. Injecting more capital to expand aggressively as well as addressing problems that caused the failure could increase both the organizational and leadership resiliency.

### 2.4.3 Adaptation

Lack of reflecting, learning, and thus changing, to respond to what was happening was actually the main reason A&W lost its former glory and plunged into a crisis. MR's Lie Boff did not learn from the environment. Likewise, the two leaders that came after them also appear to repeat the mistakes. George Ang however appears to be learning and taking necessary corrective actions. A&W's fast food business activities have increasingly become critical to the survival, growth and profitability of the food business organization. In a competitive global market share, it is very important to formulate an effective marketing strategy. The prepared marketing strategy shows the company's level of response to competitive market conditions (Lee and David, 2004). The level of environmental turbulence, including very fast technological developments, also requires companies to build their adaptability and accessibility capabilities. and wants), both consumers, suppliers, and other parties who have power of influence on the immediate food market.

According to Katsikeas and Nigel (1993), if working in a business, one should apply everywhere (especially from a cost-effectiveness perspective) a strategy that emphasizes the need to adapt the marketing mix program to the specific characteristics of the target market where the company's operations differ between countries with structure and significant culture. In the field of export marketing, adaptation relates to areas of marketing policy such as product attributes, pricing methods, distribution channels, and activities promotion (Leonidou, Barnes, Spyropoulou and Katsikeas, 2010), are several factors that affect the company's viability and success in the Malaysian market in particular.

## 2.5 Evaluation Matric

## 2.5.1 External Factor Evaluation (EFE) Matric

	Opportunities	Weight	Rating	Weighted Score
1	Provide Products That Are Guaranteed Halal.			
	Quality department of A&W need to one			
	person knowing about standard of JAKIM			
	Requirement.by storage, product Shelf-life,			
	ingredient on the product, cleaning and			
	handling. Example all meat base product	0.04	3	0.12
	including poultry must be Halal Certified			
	body approved by JAKIM & department			
	veterinary services (DVS) with Malaysian			
	protocol for Halal Meat and poultry			
	production and MS 1500:2009			
2	Segment Product in The Update Always			
	Follows the Current Trend for Example Hari	0.04	2	0.12
	Raya. CONNEY Chic/Beef with Satay Gravy	0.04		0.12
	Sauce. Sauce.			
3	A Good Cash Flow Allows You to Open	RA>		
	Many Restaurants. IMRSB 2020 planning 100	0.04	3	0.12
	million spend to opening new restaurant.	0.04	3	0.12
	Target 121 before 2024			
4	Regular Staff Salaries Are Raised So That			
	They Do Not Go Looking for Higher Ones			
	and This Can Reduce Turnover. A&W			
	Malaysia salary for normal staff			
	2018 per/hour rm 4.50 KUB BERHAD	0.07	4	0.29
	2019 1hour Rm 5.00 IMRSB	0.07	4	0.28
	2020 1-hour Rm 6.00 IMRSB			
	Compared KFC JCOB			
	2018 1-hour Rm 5.50			
	2019 1-hour Rm 6.50			

			1	
	2020 1-hour Rm 6.50 (+ rm 1.00 if staff hour			
	overall month above 150 hour /no absent/no			
	MC)			
5	Standardize And Prepare a Guideline for			
	Suppliers Who Want to Supply and Send the			
	Product in Sufficient Quantity and Good			
	Quality.			
	Use back A&W international SOP for	0.03	3	0.09
	supplier. Time delivers not peak hour			
	Temp from product exam frozen need below -			
	4 <sup>o</sup> c not meet reject the product (quality issue)			
	Lorry temp frozen product 0°C to -18°C			
6	Hire Experienced Workers and Offer High			
	Salaries for Them.			
	HR depart need to put qualified for position			
	RM example Requirement	0.0-		<b>^</b>
	~education Diploma with experience fully RM	0.05	4	0.2
	3 years external /internal 5 years' experience			
	and follow the development career path by	1		
	company company			
7	Update And Upgrade the Latest Counter	RAZA		
	System by Not Only Taking Orders at The	ermitted.		
	Counter but Customers Can Place Orders			
	Online or Vending Machines Placed On The	0.03	1	0.09
	Premises. Example now A&W Malaysia use			
	the POSTFLEX system.			
8	Increase Standalone Restaurants That Have			
	the Concept of Drive in And Drive Thru. Now			
	A&W Malaysia only have Standalone outlet			
	PJ DRIVE IN, SEREMBAN DRIVE THRU,	0.07	4	0.28
	KOTA DAMANSARA DRIVE THRU,			
	DAMAI DRIVE THRU.			
l	I I		I	I

9				
,	Build An A&W College Training Center in Collaboration With A&W International to Produce an Operations Team That Efficient and Fast.	0.08	4	0.32
10	Put a Signboard If the Customer Is Not Satisfied with The Service of The Restaurant Can Continue To e-mail Or Contact the Area Manager Directly, The Objective Is to Solve the Problem Quickly. Base on marketing report 2019 customer complain by email more than 1000 email (complain 70% and complement (30%). After put this idea complain reduce 35% report by marketing. By the way area manager done immediately handle the complaint asap.	0.04	3	0.12
	Phin SRO		Ratin	Weighte
		<b>TT7 • 1</b> /	Naum	Weighte
	Threats modifying	Weight	g	d Score
1	Threats Imitation Products Using The A&W Brand example lot of ex staff after resign the A&W use the sop of product for own business. example CONNEY SOS can imitation by local product.	Weight		C
1 2	Imitation Products Using The A&W Brand example lot of ex staff after resign the A&W use the sop of product for own business. example CONNEY SOS can imitation by	RAZAL		d Score

	selling without key in and staff eta without record by manager.			
4	<ul><li>Product Stolen Eaten Sold Without Punching</li><li>in System Counter 2020 system show cancel</li><li>order more than 15% from sale.</li></ul>	0.08	2	0.16
5	Make Orders Without Using the Per1000 System training development system. Example the manager order 1 pkt bun (every pack 40 pcs - selling record restaurant use every day only 5 pcs X 7day = 35 -balance in restaurant 5. manager need to order buffer 20% before delivery day is come. If manger not follow w the standard of per-Thousand - maybe wastage will be there.	0.04	2	0.04
6	Cooperation Between A & w Malaysia and International Cannot Be Restored If not work together. A&W event 100years worldwide anniversary celebration for strengthen understanding	0.04	4	0.04
7	Franchise Rights Can Be Revoked If Not in Accordance with The Product Quality Rule Set by International A &W All years from the sale A&W Malaysia need to pay royalty to A&W international. From sale 2019 Rm74,000,565.00 is 3%@ RM2,220,344.00 and 2020 RM 91,615,244.90 is 3% @Rm 2,718,367.35	ermitted 0.03	4	0.03
8	Track Record Involves the Experience of a Disappointed Customer Who Is Difficult to Fix. Base on marketing report 2019 customer complain by email more than 1000 email (complain 70% and complement 30). After put	0.03	1	0.03

10	Covid19 Who Are Almost 1 Year and Over Have Made Daily Sales Drop Sharply	0.09	2	0.18
9	If The Promotion Is Weak. Example every year restaurant has 4Q. Poor marketing planning do the promotion without follow the base on last years.	0.06	2	0.12
	this idea complain reduce 35% report by marketing. By the way area manager done immediately handle the complaint asap.			

Table 11 External Factor Evaluation EFE Matric

The total EFE Score of 2.55 is above the average of 2.50, indicating that A & W's internal position is slightly above average, moderately taking advantage of external opportunities and avoiding the threats the company faces. There is definitely room for improvement, as A&W needs to upgrade its services by controlling one of the customer satisfaction deliveries quickly. Customers make complaints directly to the Area manager instead of directly on the official website of A&W Malaysia so that the complaint is not seen by other customers and continue to avoid poor views of the company's brand. Basically, external cooperation such as between A&W international must be there to ensure that all ideas and new soup follow the steps of the International program. With this collaboration, we can continue to have a better impact on external factors that can help A&W Malaysia remain relevant.

# 2.5.2 Internal Factor Evaluation (IFE) Matric

	Strengths	Weight	Rating	Weighted Score
1	Has the best product in the world Coney Chicken @ Beef and Root Beer Float ice cream	0.10	4	0.40
2	Concentrated syrup Robot Beer flavor ingredient that is unmatched in the world.	0.08	4	0.32
3	MR bear mascot is the main attraction of customer enjoy environment. When the restaurant adds one session of the presence of the mascot A&W bear, the condition of the restaurant becomes cheerful. Based on sale with the addition of this event. Restaurant sales increased from 5% to 10% every month.	0.06	4	0.24
4	Strong brand affected around the world since 1919 in the USA and 1963 started in Malaysia.	0.02	3	0.06
5	Chain promotion in good product segments, for example, Coney Chicken @ Beef promotion. Called Coney Tuesday "only rm 5 with regular Root Beer. Base on sale 2020 Conney Tuesday selling 25% equivalent to RM 1452500.60 @ 29050 sets for 60 outlets compared to sale 2019 only 15% sales equivalent to RM 90232.00 @ 18046 set 49 restaurants	RAZA 0.10°0	4	0.40
6	Fully controlled by an IMRSB company that owns 100 fast food restaurants such as Manhattan Fish Tony Roma's shark steak.	0.03	3	0.09
7	Strong cash flow after being taken by IMRSB. Based on profit 2019 cash flow only 4,002,533.00@ 7 % compared 2020 cash flow on profit and loss statement Rm 46,930,455.00	0.04	3	0.12

	after IRMSB from CEO Mr George Ang			
	injection capital for A&W opening new brand			
	for next 2021			
8	Strategic location, for example, Padang MPPJ,	0.07		0.00
	Jalan Sultan, the oldest outlet since 1969,	0.07	4	0.28
0	A&W drive in			
9	A team of operators who have great skills in			
	each department. Now A&W Malaysia after			
	take over from KUB total operation team from			
	operation manager 1, Area manager 5, training			
	manager 2, Restaurant Manager (RM) 45	0.05	3	0.15
	person for outlet 200k above, acting Restaurant			
	Manager 15 person for outlet below 199k.asst			
	manager 72-person, shift manger 120-person,			
	line leader 180person. Complete development			
	training process.			
10	Leader Who Has Almost expert about The			
	Field Of F& B division also familiar with F&B	0.02	3	0.06
	culture . New CEO A&W Malaysia Mr George			
	Ang Ang	R		
		. 60'	<b>D</b> (1	Weighted
	Weaknesses	Weight	Rating	Score
1	Product piracy Root Beer becomes the main			
	hot issue in marketing statement example F&N	0.04	2	0.04
	also selling A&W Root Beer but Different	0.04	Ĺ	0.04
	concentrated. Sarsi flavor			
2	A&W does not highlight fried chicken			
	products because the current favorite trend is	0.03	1	0.03
1				
	fried chicken.			
3	fried chicken. Old restaurants. Poor environment Some of			
3		0.09	2	0.18
3	Old restaurants. Poor environment Some of	0.09	2	0.18

	Buruk Terengganu all this get feedback from customer about customer safety, poor environment, old utensil.			
4	Poor service due to lack of staff, high turnover effected A&W restaurant Speed of Service (SOS) standard more than standard 2:45 second. Refer the SOS from MCD 1:45 second and Burger King 1:00 from customer Order	0.06	2	0.12
5	High turnover due to the leader in each restaurant is not skilled to control the existing staff. Based on 2019 percentage of turnover overall 49 outlet 17% compared 2020 up to 20%.	0.04	1	0.04
6	Low salary scale compared to other competitors, for example a & w rm 4.50 per hour but KFC RM 6.00 per hour, MCD RM 6.50 per hour and Texas chicken 5.50 per hour.	0.06	2	0.12
7	Expensive price example 1 Moza Burger Ala- Carter rm 12.50 compare MCD Double mac burger only RM 8.90 per Ala-Carter	0.05	2	0.10
8	Development training process to improve skills not follow standard .2018 fully RM handle the store only 17 people.2019 after IMRSM take over due improvement training department. Restaurant handle by fully RM up to 35 people. Compared 2020 restaurant handling by fully RM 45 person only 15 person acting@ 1st assistant manager lead the restaurant.	0.03	1	0.03
9	Past issues such as dirty outlets make customers reluctant to come. Expend 1k every single store hand owner garbage area for appointment 1 sub contract picks up old garbage by daily practice	0.02	1	0.02

10	Local suppliers who are not uniform in			
	shipping rules lead to less shipped and			
	damaged goods. Example A&W need to			
	appointed quality department for checking	0.01	1	0.01
	practice all supplier follow the sop of A&W			
	requirement. Time to drop product need to			
	delivery not with peak hour operation.			
	Total IFE Score	1.00		2.81

Table 12 Internal Factor Evaluation (IFE) Matric

For the table above, the Total IFE Score of 2.81 indicates a fairly strong internal position (above the average score of 2.50). There is room for improvement in the process of upgrading training and better development. Factors that may be encountered such as:

- 1. Failed to get new employees who are properly qualified.
- 2. The failure of communication between the head of the restaurant can worsen the operating situation.
- 3. training that is not relevant to this critical situation.
- 4. Governance in qualified resettlement still uses a working system close to one's own residential home.

These factors can hamper efforts towards improving operational efficiency. When something goes out of control and a good system cannot afford to renew, the impact the restaurant will receive is a fall in sales revenue and continue to provide an indicator of declining cash flow levels, leading to all new restaurant opening plans will be affected by lack of financial preparation and circumstances. staff supplies are still unstable.

#### 2.6 TOWS Analysis

Back in 1982, a Professor of Management named Heinz Weihrich had conceptualised and developed the TOWS analytical matrix. Extracted from his article entitled "The TOWS Matrix - A Tool for Situational Analysis", the primary objective of this tool is to systematically identify the relationships between the external factors (Opportunities and Threats) and the internal factors (Strengths and Weaknesses) prior to basing, generating strategies on them. The strategic tactics S-O (Strengths-Opportunities), W-O emerge by opposing (Weaknesses-Opportunities), S-T (Strengths-Threats) and W-T (Weaknesses-Threats). As the main or indicated factors of VSSB have been identified on the previous subsections, the following TOWS analysis on the company was conducted based on them (the main UNIVERSITI TUN ABDUL RAZ factors) only.

nting, is not permitted.

	Strengths	Weaknesses
Internal Factors	S1-Has the best product in the world Coney Chicken @ Beef and Root Beer Float ice cream.	W3-Old restaurants. Poor environment Some of them are dangerous federations. Example PJ Drive In, Seremban Drive
	S2-Concentrated syrup Robot Beer flavor ingredient that is unmatched in the world.	thru, A&W Batu Burok Terengganu all this get feedback from customer about customer safety, poor environment, old utensil.
	S5-Chain promotion in good product segments, for example, Coney Chicken @ Beef promotion. Called Coney Tuesday "only rm 5 with regular Root Beer. Base on sale 2020 Coney Tuesday selling 25%	W4-Poor service due to lack of staff, high turnover effected A&W restaurant Speed of Service (SOS) standard more than standard 2:45 second,
External Factors	equivalent to RM 1452500.60 @ 29050 sets for 60 outlets compared to sale 2019 only 15% sales equivalent to RM 90232.00 @ 18046 set 49 restaurants	W6- Low salary scale compared to other competitors, for example a & w rm 4.50 per hour but KFC RM 6.00 per hour, MCD RM 6.50 per hour and Texas chicken 5.50 per hour.
Opportunities	S-O Strategies	W-O Strategies
	S-O Strategies	"mitted

O4-Increase Standalone Restaurants That Have the Concept of Drive In And Drive Thru. Now A&W Malaysia only have Standalone outlet PJ Drive In, Seremban Drive Thru, Kota Damansara Drive Thru, Damai Drive Thru. O8-Regular Staff Salaries Are Raised So That They Do Not Go Looking for Higher Ones and This Can Reduce Turnover. A&W salary for normal staff O9-Build An A&W College Training Center in Collaboration With A&W International to Produce An Operations Team That Efficient And Fast.	Implement a promotion mix to generate higher	W3-04 The company needs to beautify the atmosphere in the restaurant to make A&W a place to eat, relax with family W4-09 Efficient, fast, and clean services will prevail if training and development strategies are well upgraded. W6-W4-08-09 Competing to have experienced staff in the industry will happen and is necessary because with good staff the impact on service and good sales results.
L I	0	

<ul> <li>T3-A Lot of Wastage s without control and Weak Inventory System.2019</li> <li>RM 2,600,344.00 @ 4% wastage of 49 outlet and 2020 Rm4,720,897.95@</li> <li>5.21% not include product selling without key in and staff eta without record by manager.</li> <li>T4-Product Stolen Eaten Sold Without Punching in System Counter 2020 system show cancel order more than 15% from sale.</li> <li>T10-Covid19 Who Are Almost 1 Year and Over Have Made Daily Sales Drop Sharply</li> </ul>	Strong and competitive	
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Table 13 TOWS Analysis Factor

12 Factors Below	Weight		BK		MC D		KFC	A& W
			Ente	er H	Ratings	Be	elow	
Advertising	0.06		2		4		3	1
Domestic Market Penetration	0.10	Ī	2		3		4	1
Customer Service	0.06		1		4		3	2
Product Variety	0.06		1		4		3	2
International Market Penetration	0.09		2		3		4	1
Employee Dedication	0.06		2		4		3	1
Financial Profit	0.12		1		3		4	2
Customer Loyalty	0.06		1		2		3	4
Market Share	0.12		2		3		4	1
Product Quality	0.11		4		3		2	1
Top Management	0.06		1		4		3	2
Price Competitiveness	0.10		1		4		3	2
Total	1.00		1.66		3.34		3.32	1.34

## 2.7 The Competitive Profile Matrix for 12 Factor

Table 14: 12 factors rating company vs A&W Malays

In the table above 12 factors identified lead to an analytical evaluation of which competitors compared to A&W Malaysia. MCD topped the chart in the highest weight rating where most of the factors analyzed in this table show they are a resilient company and have a very aggressive comprehensive strategy in every promotion they make. Can be seen in the table six (6) factors that they achieved a rating of 4 show they really want to focus and be the leader of fast food around the world. Factors such as advertising, product variety, Price Competitiveness are the pinnacle of success and customer attraction remains their first choice. In this table the analysis is described where the rating of four (4) in product quality is held by Burger King (BK). It has been identified from the beginning that BK is a Fast-food restaurant with a very high

food handling system so those who work at Burger king must pass the USA international food handling test, which is SERV safe examination. ServSafe International Program, where you can find high-quality training options for every member of your staff. From classroom to online, and in a variety of languages, Serv Safe is the best food safety training and exam solution available .Must pass 80 % and above. If they fail, they will be fired upon completion. trial period. This shows Burger king is very important Quality product that is run with the best operating system. KFC excels in the competition of financial profit and market share where with the number of restaurants throughout Malaysia Singapore with almost 800 outlets giving the best impact in financial profit every year. Let's take the example of 2020, even in the era of KFC fans, it is still able to make 6% to 8% revenue because the opening of new outlets is still going on even in a critical situation. This is the reason why KFC's financial profit is still on the best track.

Finally, in this table, A&W Malaysia has strengths in terms of customer loyalty. This is because one of the reasons is because the customers who come to the restaurant are still the same people 60 years ago until they were introduced to their families, A&W Malaysia's best product, CONEY CHICKEN. /BEEF (or formerly known as Coney dog/Name change due to JAKIM and halal standards). It is the responsibility and strength of A&W Malaysia to stay and try to compete with other competitors based on the strength of customer trust to remain in the fast-food competition and remain the most long established in Malaysia

#### 2.8 Alternative Solutions / Options

As shown, it is still too early to conclude that George Ang's leadership is resilient. Also, it is too early to conclude that A&W has made it through the crisis and will soon return to its former glory. The conclusion can be made after George Ang led the company successfully for at least more than 20 years. In other words, the leader will be considered resilient once he exceeds the life threshold set by his predecessor, meanwhile he must take some steps to increase his resilience as a leader, as well as the organization. Again the solution should be implemented based on the theoretical model (see figure iv) used for this case study. George Ang should consider this solution while striving to develop and maintain resilience in the organization. Focus on the Two most important issues are reducing high staff turnover by finding the best way in retaining experienced employees and both strategic layout in operations administration which adopts the right options for the best leaders in the right place.

nodifying, For the first issue alternative solution of High Staff turnover in Each Restaurant:

is not

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- 1. Put the right people at the right place;
- 2. Develop attractive pay scale to retain skilled workers;
- Balance staff size with working hours. 3.

For the second issue alternative solution of Unstandardized Training Process for Staff Development:

- 1. Set high perfromance standards;
- 2. Develop effective communication through training;
- 3. Clarity of roles and processes.

#### 2.9 Reputation One of Restaurant Still Survives in Malaysia

Knowledge based on the antecedent of resilience and recognizing the problems that occur is one of the best things that a leader can show. Drivers refer to things that guarantee the occurrence or continuation of something else. As highlighted by the model, resources, power and responsibility are the drivers of organizational resilience. The following should be applied to develop and maintain resilience in A&W. How to handle and solve the problem is the starting point of an organization will be better. Look at the problem that occurs, find a solution and solve it prudently either in groups or using existing experience.

## 2.9.1 Knowledge Base

Developing knowledge base should involve developing a leadership training program. A leader needs to have leadership competencies to enable him to perform the roles and functions of a leader effectively. Organizations need to identify the competencies needed by a leader in the organization because leadership competencies may differ based on the core business of an organization.

There are many models of leadership competence. The competencies of a leader need to be tailored based on the role and function of the leader The competencies required by a leader according to Abbott's Leadership Competency Model are:

Set a vision and strategy-Create and communicate a vision of the future to maximize the company's performance to control any mismanagement that will occur can be corrected quickly. Set strategies and actions to achieve the long term vision that allows the leadership to make the right decisions. At the same time the strategic decisions made may be less popular and awkward. But as a leader there needs to be self -confidence

- Build an easy -to -understand Organization-Attract and develop people to maximize Inspire the collective skills of the organization to ensure the selected team has the skills or strengths of their own to create great ideas. Inspire and motivate people to achieve the intentions, vision and strategic goals of the organization in other words a necessary leader who is principled and has a leadership aura that convincing all troops to keep fighting.
- Learn Business-Understanding customers, business operations and the problems that arise is the most complicated thing, but with the training and development applied by the company to build the capability of employees and highlight their skills
- Driving Results-Set high goals for organizational success and personal achievement. And to lead to meet or surpass those goals in whatever obstacles, the results must be solid for the success of A&W Malaysia
- Make Difficult Decisions-Makes timely decisions in the face of obstacles, difficulties, and challenges. A leader who has great leadership qualities in decision making but is great at giving accurate instructions. Act decisively, showing confidence and the strength of one's beliefs.
- Encourage Open Communication-Creating a culture of open and honest communication and Knowledge Sharing where everyone is motivated and free to express their views. This tradition is the truth to a company's success, good communication, great company journey

#### 2.10 Power and Responsibilities a Brand Close to The Customer Heart

Organizations in new leadership need to prepare a development plan or training plan for each outlet manager competency based on the leadership competencies that are already known for sure. This structured development plan or training plan must be implemented in each outlet manager. At the entry and intermediate levels, outlet manager candidates, assistants or any candidate leading in operations should be exposed to the courses for the generic and functional competency requirements required by the officer in his or her duties and jobs. At the higher grade level, the next outlet manager should be exposed to leadership courses including for leadership courses offered by training such as

- The first level of Leading are shift (LAS) for all levels of outlet managers, assistant managers, shift managers and line leaders who will be promoted as shift managers
- The second level is Leading Are Restaurant (LAR) for all levels of outlet manager, 1st assistant manager, and shift manager who will be promoted to 1st assistant manager.
- The third rank is Leading are management (LAM) for the rank of operations manager, area manager and restaurant manager who will be promoted to area manager.
- The Fourth level all levels For the Leadership and Key Management course organized by International A&W, it was agreed that the acquired traits inherent in visionary, have leadership ability, strategic business intelligent and exemplary personality.

## 2.11 Alternatives for High Staff turnover in Each Restaurant

The list of alternatives to solve the clustered problem of High Staff turnover in Each Restaurant was constructed as follows.

	Alternative 1: Put the right people at
	the right place
	People who are "good enough" may not
	be the right people for your open position.
	Aim to be an outstanding employee, as
	well as be rewarded. Patience in the
	recruitment process is important,
	especially the human resources do not use
	the term "catch fit". Consider not only
	their qualifications and skills, but imagine
	how they will work with your existing
UNIVERSITI	team as well as whether they are able to
CODINIVED	work under the pressure of a busy
High Staff turnover in Each Restaurant	restaurant every day.
Then stuff turnover in Each Kestauran	Alternative 2: Develop attractive pay
Prin	scale to retain skilled workers
	Increase Their monthly salary or salary
	Per Hour.
	One of the reasons employees leave their
	jobs is for better pay positions elsewhere
	than A&W Malaysia.employees who feel
	they Remain competitive and retain the
	best talent are able to earn and be offered
	competitive pay. Appreciation for
	outstanding employees with salary
	increases is an important element in
	taking care of employees 'hearts. Perform
	performance observations and bid
	increases on a regular basis and even if a

small amount can increase your retention rate anyway they will feel appreciated.

# Alternative 3: Balance staff size with appropriate working hours

In the first issue, one of the factors that occurs is because the working hours of the employees are not enough hours and also the working hours are too long. In this factor Management needs to think about the size of the staff and the needs of the restaurant and the employees so as not to work too long until there is no break time and the working hours are not enough for the employee to add income. These factors are one of the sources of high turnover in every A&W Malaysia restaurant from the first phase until 2018 which needs to be taken seriously by the current management of IMRSB @A & W Malaysia. Management needs to have training in making weekly schedules based on the company's budget needs.

Table 15 List of Alternatives for High Staff turnover in Each Restaurant

## 2.12 Alternatives For Unstandardized Training Process for Staff Development

Alternative 1: Set high performance standards Establishing, consistently high quality products, maintaining A&W's reputation as the first and oldest restaurant in Malaysia. Continuity in weekly meetings or gatherings to give their awareness and importance to each staff to create a harmonious atmosphere while working. INIVER Set High standards ,Does not settle for good enough -recruiting team member -selecting team member Unstandardized Training Process -customer Manis and cer checklist for monthly .result mention name of manager Staff Development on duty.staf on duty.this for know the team of restoran do follow standard of procedur in speed of service Alternative 2: Develop effective communication through training Comunication well (skill) Help others understand the what and why. Department of traning and development need to conduct focus about the comunicating with your team in the each restaurant.high impact coaching two way comunication effectively daily. Build up Envaironment Great Place to Work.

The list of alternatives to solve the clustered problem of succession and legacy was constructed as follows.

Alternative 3: Clarity of roles and
processes
Executes Processes and Routines Focuses
on clear Roles and proceses and
understand Customer Needs.
Team management must be learn
Evaluating Restaurant. Knowing Impact
Restaurant performance.High Impact
Coaching-leadership each every team
management ang team member.Building a
great Restaurant Roadmap workshop.

Table 16: List of Alternatives for Unstandardized Training Process for Staff Development

## 2.13 Evaluation of Alternatives

It should be taken seriously and keep in mind that the two sets of alternative solutions developed in the previous section are derived, primarily, from the thorough analysis performed, with thoughts and ideas gathered from the data interview sessions also considered. Interview with Harlina Ghazali Ex operation manager@act General manager ask the few question about the situation tim A&W Malaysia Crisis from 2009 until 2013. Before the comprehensive proposal, along with the implementation plan, can be proposed and translated by the new CEO Mr George Ang in the alternative evaluation process is done to form a new branding A&W Malaysia.

The alternatives are evaluated, examined and tabulated, objectively, to identify the importance, likelihood, effectiveness and impact of each. By applying a set of widely used decision criteria as a framework, alternative assessments for the two grouped problems are presented in the following sub-sections. Level refers to the performance of each alternative (column) based on the respective result criteria (row). Figures range from 5 to 1, where 5 means high, 4 - above average, 3 - average, 2 - below average and 1 - low.

## 2.13.1 Evaluation of Alternatives for High Staff turnover in Each Restaurant

To find the best point in the operation. Alternative assessments for High Staff turnover in Each Restaurant were conducted as follows. Evaluated based on three main decision criteria - operating cost effectiveness, additional costs, ease of implementation and business impact especially in the Covid 19 pendemic.

Alternatives	<u>Alternative 1</u> Put the right people at the right place	<u>Alternative 2</u> Develop attractive pay scale to retain skilled workers	Alternative 3 Balance staff size with working hours
Criteria			
Cost Effectiveness	nodir	4	5
Ease of Implementation	Pr reprinti-	BDU 5	5
Business Impact	5	9. is not per	5
Total	13	14 14	15

Table 17 Evaluation of Alternatives for High Staff turnover in Each Restaurant

We can see the table above, Translated that Alternative 3 is considered the most effective and important, feasible and impactful among other alternatives .Review service standard and product quality over the past Six month and develop action plan with team in restaurant .Identufy key barrier to exceeding CMS and CER execution and seek out BDPs From peers.Use BAGR roadmap process to focus on accountabilities ,task and standard to achieve BSC.Discuss Customer Mania In every Meeting. Review restaurant goals,tactics, and achievements.Keep the focus

continually on getting better. Role model customer interaction for your team. Table touch with the customer. Involve others in decision making on discreationary maintanance budget. Selected the right opportunities to delegate instead of doing it yourself and still accept accountibility.

Alternative 2 is in second place where costs must also be controlled to ensure cash flow stability is not used ineffectively a backup assignment, where Alternative 1 is rated the lowest.However, all three mutually exclusive alternatives have the same level of importance and collectively will solve the problem of reputation and perception. Here we can see alternative solutions proposed to be implemented simultaneously following an aggressive strategic implementation plan or timeline.

## 2.13.2 Evaluation of Alternatives for Unstandardized Training Process for Staff

Also To find the best point in the operation. Alternative assessments for Unstandardized Training Process for Staff were conducted as follows. Evaluated based on three main decision criteria - operating cost effectiveness, additional costs, ease of implementation and business impact especially in the Covid 19 pendemic.

Alternatives Criteria	<u>Alternative 1</u> Set high performance standards	<u>Alternative 2</u> Develop effective communication through training	<u>Alternative 3</u> Clarity of roles and processes
Cost Effectiveness	5	5	4
Ease of Implementation	4	5	5
Business Impact	5	5	4
Total	14	15	13

Table 18 Evaluation of Alternatives for Unstandardized Training Process for StaffDevelopment

We can see the table above, Translated that Alternative 2 is considered the most effective and important, feasible and impactful among other alternatives. Alternative 2

Training department. Start regular 1:1s with your management operation & tema member and Conducting shift meeting practice

- 1) Hear
- 2) Understand
- 3) Process
- 4) Respond

Use memo board to keep team member engaged .Keep information currently and highlight key point. Learn conduct effective meeting with team and assistant .practice using meeting agenda checklist. Set performance expectation amd restaurant Goals for your team and Check Understanding .

Alternative 1 is in second place where costs must also be controlled to ensure cash flow stability is not used ineffectively a backup assignment, whereas, Alternative 3 is rated the lowest. However, all three mutually exclusive alternatives have the same level of importance and collectively will solve the problem of reputation and perception. Here we can see alternative solutions proposed to be implemented simultaneously following an aggressive strategic implementation plan or timeline.

## 2.14 Recommendations

Mr George Ang, CEO of A&W Malaysia while developing solutions to problems faced by A&W Malaysia in the past. Should one of the alternatives be chosen, the basic objective of the assessment presented in the previous section is to initiate a sequence and synchronization - based on scores - on the chain of actions that should be taken to solve both group problems. In this recomendation, some points are attached to be referred to as a solution to this problem:Focus 100% own and improve the time of speed with service ,normal team member and management ,food quality and show in flow success profile measured below.



Chart 4: Success profile measured for leader and team performance

Use the success profile recommended to be done during mid year individual development plan (IDP) period or any period dedicated to development planning for management and normal staffing.Must be done separately from the performance Appraisal because Success Profile focus on development whilst Performance Appraisal focuses on achhievement of result. This will also ensure a salary increase for those who are eligible and those who have achieved the target to change positions for the better. Review CSL for Discipline Procedur and Policies. Conduct and review performance appraisal tool and use Readiness checklist for development discussions. Clear align A&w Malaysia staff on company expectation around performance and result.Gain comitment on timelines and hold them accountable. When use BAGR

Roadmap processon a quaterly basic and review restaurant's BSC result. Find ways to enrich the job of your team member by increasing their authority and loyalty with company. Guide your team through a problem solving activity to build capability and confidence in their abilities.

#### 2.15 Reputation as first Fast-food Restaurant in Malaysia

Back to the 2 problems that occur in A&W Malaysia that need to be taken into account as the main cause of decline and decline Communication of performance in the organization. This is because when employees quit for no reason, work discomfort and bad work environment cause them to fail to survive. Inexperienced management placed in inappropriate places is also a major cause. Being a thing that aims to convey true and timely information to the members in the organization in order to improve the performance of the organization in operations. According to Pincus (1986), communication has a strong positive relationship with job satisfaction and job performance. In an organization, communication above is needed by superiors so that suggestions from subordinate employees can help them make organizational decisions and planning. Accurate and timely information from these subordinate employees can also help superiors resolve organizational conflicts and make the right decisions in carrying out organizational tasks. Downward communication is required by subordinate employees to get accurate and clear information about the task to perform the tasks of the organization successfully.

Communication is an important element in making an organization effective. communication and compatibility in organizations have a close relationship and mutually influence each other. In the statement of Harcourt, Krizan and Merrier (1996), managers spend of their working time to communicate, to ensure these 2 problems can be avoided while subordinate employees use half of their working time in various forms of communication. The process of communication in an organization can involve every member of the organization in a healthy way, doing the best training and selection is also called highly effective two -way communication. Schien (1970) defines organization as the rational coordination of the activities of a group of people to achieve common goals with division of labor and responsibilities through a hierarchy of communication involving the delivery of information or messages between employers and employees, groups with groups or organizations with organizations. To ensure that A&W returns to its glory. The culture of communication in the organization must be inculcated.

According to Pace and Faules (1994) stated that two -way communication of open, clear and mutually trusting type will be able to influence the degree of commitment of an employee to his organization. As the closest example, when an employee receives positive feedback about the nature of the job in the organization and its performance with the consent of superiors, the employee will have a higher degree of commitment to his or her job and organization. Increasing the degree of commitment to the organization involves a downward communication process from superiors to subordinate employees. In this way it is very likely that the problems that happened will definitely not happen again. Subordinate employees will also increase the degree of commitment to the organization if clearly relevant information about their job. A&W Malaysia's reputation will be even better if each outlet management is staffed by individuals who are experienced in restaurant governance. It is the responsibility of superiors, especially the training and development division, to take wise steps by designing a scale training program to ensure that all management employees are able to improve their best leadership skills. The impact will be on the company if all parts of the company including CEO Mr George Ang are united in the framework of employee training and development towards highly skilled employees.

## 2.16 Implementation Plan

Based on the recommendations explained and elaborated on the previous section, the implementation plan was constructed and presented below by Grantt Chart.





At the same time, operations managers should be tasked to research and write proposals on the equipment needed, i.e. cameras, security of each restaurant reports received from operating officers under him on a weekly basis, one of the special assistants should recommend and urge the board of directors to form an internal legal department by the first quarter of next year to look at the point of view of the company's operations and journey after the Covid19 epidemic.

In early 2020, the marketing plan will be implemented accordingly involving a new administrative transformation. The second generation (original A&W Malaysia KUB team and A&W Malaysia New IMRSB Team) should meet every phase of the year with the marketing team to review the implementation as a whole. Is the promotion able to compete with other competitors such as MCD, KFC and other existing competitors. At the same time, assuming that proposals prepared by human resources executives will be approved by the company's CEO, marketing executives and operations officers can be sent for training each phase of the year. However, the development and training department needs to be audited for its effectiveness with a bi -annual performance review that will generally include an examination of the impact of training from there onwards. At the same time, Assuming that the proposal written by the operations manager will be approved by the CEO and certified by the human resources and finance department, all camera equipment will be purchased and designated as equipment that must be owned by every restaurant to be the second eye of management. Monthly maintenance of the camera should be done by the operations team and the effectiveness of its use will be reviewed quarterly and presented at town hall and annual general meeting as well. why this is necessary is because 15% of the lost cost is due to an inefficient restaurant security system. Finally, assuming that a proposal written by one of the special assistants will be approved, an internal legal department will be formed on entering the new year and consistently occurs.

### 2.17 Succession and Transformation

Early in the third quarter of the current year (2010), following the planned approach and recommended content, the second generation (original A&W Malaysia KUB team and A&W Malaysia New IMRSB Team) should continue to discuss replacement, Transformation and continuity informally during weekly operational meetings. At the same time and business -minded, Marketing department Mr Azrin Borhan (Manager) Mr Azlan Nordin (Executive) should work together in compiling and proposing programs to attract customers and it is an obligation of all must participate including company founder CEO Mr George Ang. In addition to transformation and business succession initiatives, the second generation (original A&W Malaysia KUB team and A&W Malaysia New IMRSB Team) should explore the potential of business consulting firms or advisory firms so that IMRSB @A & W Malaysia and A&W International can work in the long run for sustainable development. company. Assuming that the development coaching and training program looks at the core in efficient clean food handling and the leadership of each restaurant can be adapted from the experience of the successful new CEO Mr George Ang will be approved by the founders, the program will be officially launched at the beginning of next year (2020). With the consent of the founders as well and internal management, relationships with efficient consulting firms as well as continuous communication of the development and training department supported by the human resources and finance department will reverse more successful results for A&W Malaysia's fast food business in the first quarter of next year as well. Last but certainly not least, with advisors, the succession planning process is estimated to

begin in the second quarter, and plans that are practically documented and refined with each management level specialist are estimated to require a maximum of twelve months (12 months) to complete. It should be noted that, although not following the conceptual sequence of conceptual changes, the proposals involved actually meet the key stages of the succession process - initiation, selection and training development education, as well as periodic promotions. Therefore, the transition of management and ownership is estimated to be done gradually and alternately at the beginning of each year from 2018 onwards. For example, a minor shift of management roles and responsibilities will occur in early 2020 already underway, while a major shift will occur in early 2024.

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### 2.18 Conclusion

A&W Malaysia has without a doubt faced numerous challenges that emerged after its operating environment was changed by the entering of western based fast food restaurants. Unfortunately, most of its previous leaders were unable to lead it through period of crisis. They were therefore forced to surrender their leadership. For instance, Mr. & Mrs Lie did not succeed in providing the desired leadership at the time of emerging competition. Similarly, both TDM and KUB were also unable to lead the firm through desired changes. This clearly shows that poor leadership is the main issue facing A&W. Due to poor leadership, the organization was not only unable to overcome the competition but was also subjected to further crisis, particularly related to high turnover and the adoption training and development program that did not follow required standard.

Problems related to turnover at A & W Malaysia can be addressed once skilled and experienced leaders who understand employee are hired. Competent leaders play a significant part in reducing employee turnover intentions. Training process should be fully developed to acquire employees with suitable skills, which are suitable to increase their productivity. A & W Malaysia can explore the usefulness of TOWS to determine opportunities and threats, and implement relevant concepts and strategies that are suitable to the business needs. Worth noting is that the fourth generation of leadership that took over in 2018 offer some hope. To be precise, Leadership shown by Mr George Ang, is so far impacting the company positively. His extensive skills and experience in the Fast food industry has made A&W Malaysia demonstrate great potential of recovery helm. His communication approach to members of operation and administrative management is largely responsible for some of the success the company is enjoying. However, it will be too soon to term the leadership under George Ang as buoyant or one that have overcome the crisis, unless his leadership approach surpasses that established by the predecessors.

Increased staff turnover in the restaurants can be addressed by creating a favorable work environment for the new and existing employees to bond, increase their salary to make them feel appreciated, and review the length of hours that they should serve in a day. Alternatives for unstandardized training process to improve all staffs should focus on the following; high quality products to improve A & W reputation in business, effective communication to support training and development, and proper understanding of roles and processes to meet all customer needs. The keen evaluation of employee turnover in every restaurant as well as unstandardized training processes can serve as a benchmark for a fresh start and a solution to the existing business difficulties.

Not every alternative proposed works perfectly and so a considerate choice that yields benefits should be prioritized first. In regard to unstandardized training process of employees, establishing a complete digital marketing campaign and improving the brand relationship with customer is a more practical choice. The other alternative, training department and performing shift meeting practice is the second best, although costs should be monitored to guarantee cash flow stability. Lastly, alternative one (review most recent CER with the team and delegate action plan) is the lowest in terms of rating. However, there are notable solutions that are suggested to be fulfilled based on a specific timeline.

The alternatives proposed in the discussion part can be of benefits if implemented adhering to the correct protocol. This implies that should the CEO of A & W consider one alternative, a crucial step would be to launch sequence and synchronization. In this case, the following should be prioritized; major improvement on service, staffing, food and flow, rely on checklist for development purposes, align the company employees towards the desired expectations to improve performance, discover the best ways to supplement team play in varied activities, and promote problem solving capacities to improve staff confidence.

It is important to acknowledge that establishing brand reputation in the fast food chains is crucial. A great brand reputation reveals consumers' acceptance in your brand and that consumers and relevant stakeholders are confident to engage in business transactions. Reflecting on the initial problems facing A & W Malaysia, the cause of decline and failure in performance is poor communication in the organization. The lack of communication implies that employee needs, including rewards, good pay and valuing their opinions are not appreciated. Hence, it is important to create a downward communication plan to ensure that all staff understand their duties and the what the company expects from them. The role played by communication in the organization cannot be overlooked. Hence, A & W Malaysia should adhere to this reality of effective communication to ensure mutual commitment between employees and the organization. This aspect of communication should also be integrated in all core activities, including routine duties, training and development, and interacting with customers to ensure utmost sales. The implementation plan outlined should be given much attention. Clarity should be bestowed in regard to succession and transformation to ensure that there is a positive growth from one generation to another, or even a mutual agreement in terms of how operations are run.

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# **APPENDICES**



## A) All in American Product Serving

Name of	Product showing	Information
product	6	Healthy
	Made fresh in our restaurants.	Nutrition-150-
ARE REAL FROM	Our signature item since the opening of our first tiny Root Beer stand in 1919. It's still made fresh on site with real cane sugar and a proprietary blend of herbs, bark, spices and berries. This frosty mug deserves a celebration.	1860 calories 0g- total fat 43-500g- carbs 0g protein
	nutrition	
RE AREADEAN FOR	Our world-renowned A&W® Root Beer made with real cane sugar and a blend of secret ingredients, topped with our creamy vanilla soft serve and served in a frosty mug. A classic treat. Grab a spoon and enjoy.Very delicious product <b>Root Beer Float With Ais</b> <b>Cream Vanila</b>	310-610 calories 5-11g total fat 61-119g carbs 4-9g protein
	An A&W original. An all-beef* hot dog, served with your choice of toppings. Try it with our signature meaty chili sauce, onionsany way you like it. It is <b>Coney</b> <b>Dog</b>	320 calories-19g total fat-26g carbs-12g protein
Cor		2(0 1 : 00
Su ciudo	The already-delicious Coney Dog, plus cheese sauce. Need we say more? The name of product <b>Coney Cheese Dog</b>	360 calories-22g total fat-29g carbs-13g protein
	Two juicy 100% U.S. Beef patties with two slices of melted American cheese. Finished off with lettuce, tomato, onion, pickles and our classic A&W Papa Sauce all on a lightly toasted bun it doesn't get better than this.today we call <b>Mozza Burger</b>	640 calories-35g total fat-42g carbs-38g protein
	This is everything a Bacon Cheeseburger should be. We know, because we invented it. 100% U.S. Beef and hickory-smoked bacon—one of the world's great duos. Add American cheese, lettuce, tomato, onions and pickles and you have an All-American Classic.	460 calories-23g total fat-40g carbs-23g protein
	Stacked to the max. This is a full 1/3 pound of 100% U.S. Beef, each juicy patty with its own slice of American cheese. Topped off with crispy hickory-smoked bacon, lettuce, tomato, onions and pickles on a lightly toasted bun.	650 calories-36g total fat-41g carbs-39g protein

		· · · · · · · · · · · · · · · · · · ·
	A sizzling 100% U.S. Beef patty and melty American cheese topped with ketchup, mustard, and pickles all on a lightly toasted bun.Famous burger all type people <b>Cheese</b> <b>Burger</b>	400 calories-16g total fat-42g carbs-22g protein
20	Juicy, 100% all white meat Hand-Breaded Chicken Tenders. Now in an even handier slider. Your choice of Hand-Breaded or Grilled.New name call <b>Chicken crispy</b> <b>burger</b>	460 calories-16g total fat-42g carbs-32g protein
	Everything's better when it's handmade, including our 100% all white meat chicken tenders. Made right, every time and served with your choice of signature sauces. Our customer children call <b>Chicken Nugget</b>	260 calories-9g total fat-5gcarbs- 40g protein
	Strawberry. Or Caramel. Or Fudge. Premium A&W® signature soft serve smothered in your choice of real strawberry topping, smooth hot caramel, classic hot fudge, or simply chocolate, then finished with whipped cream and a cherry on top.	340-390n calories 6-14gn total fat 54-65g carbs 7g protein
	Round out your meal. White onions breaded and fried to a crunchy golden-brown crisp. Spice 'en up with our A&W® Spicy Papa Dipping Sauce. Onion Rings	280 calories 4g total fat 53g carbs 6g protein
	The ultimate sidekick. Golden fried and crispy. A burger's best friend. Well, any menu item's best friend, really. France Fries	210-430 calories 8-17g total fat 29-61g carbs 2-5g protein
	The best dessert from A&W.one of high side sale improvement in A&W Malaysia Waffle Ais Cream.	340-390n calories 6-14gn total fat 54-65g carbs 7g protein

## **APPROVAL PAGE**

## TITLE OF PROJECT PAPER: A&W MALAYSIA'S LEADERSHIP, RESILIENCE AND HUMAN RESOURCE MANAGEMENT

## NAME OF AUTHOR : ABDUL RAZAK BIN YAHAYA

The undersigned certify that the above candidate has fulfilled the condition of the project paper prepared in partial fulfilment for the degree of Master of Business Administration (Leadership).

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Signature	
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Graduate School of Business

Date: