

**INFLUENCE TACTICS OF LEADERS: THE ROLE OF RAY KROC'S
TRANSFORMATIONAL LEADERSHIP IN SHAPING MCDONALD'S
ORGANIZATIONAL CULTURE AND GLOBAL SUCCESS**

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Information	Abstract
Volume : 2 Number : 1 Month : January Year : 2025 E-ISSN : 3062-9624	<p><i>Leadership plays a central role in determining organizational success, especially in the context of competitive global business. Ray Kroc, the figure behind McDonald's success, is known as a transformational leader capable of turning a small restaurant into a leading global fast-food chain. This study aims to analyze the application of the Model of Power and Influence in Kroc's leadership, particularly in building an organizational culture based on innovation, efficiency, and adaptability. Using a literature review approach, data were obtained from scientific journals, books, and credible reports. The analysis shows that Kroc integrated influence tactics such as rational persuasion, inspirational appeals, and consultation to create commitment, compliance, and overcome resistance within the organization. Innovations such as the Speedee Service System reflect a rational persuasion approach that enhanced operational efficiency. Inspiration was instilled through core values such as Quality, Service, Cleanliness, and Value. Consultation with franchise partners ensured local adaptation without sacrificing global standards. As a result, McDonald's achieved customer loyalty, employee compliance, and consistent global expansion. Kroc's transformational leadership demonstrates how the application of the Model of Power and Influence can create a highly competitive organizational culture and long-term sustainability. This study emphasizes the importance of combining vision, strategy, and influence tactics in building a successful global organization.</i></p> <p>Keywords : Ray Kroc, Model of Power and Influence, Transformational Leadership, Organizational Culture, McDonald's.</p>

A. INTRODUCTION

Leadership plays a central role in determining the direction and success of an organization (Chaidir, et al., 2024). In the context of global business, a leader's role is not only limited to making strategic decisions but also includes the ability to build a strong, adaptive,

and consistent organizational culture (Vistarini, et al., 2024). One concrete example of leadership that has successfully created significant transformation is Ray Kroc, the figure behind McDonald's global success. Ray Kroc can be categorized as a transformational leader who successfully turned McDonald's from a small restaurant into the world's leading fast-food chain. In the context of the Model of Power and Influence by Dubrin, et al. (2023), Kroc utilized influence tactics such as rational persuasion, inspirational appeals, and consultation to motivate his employees by building a strong and consistent organizational culture across all McDonald's branches, which is also closely related to the Model of Power and Influence.

Ray Kroc was a central figure in transforming McDonald's from a small restaurant into one of the most top-of-mind fast-food brands worldwide. As a transformational leader, Kroc not only had a clear vision but also possessed the ability to inspire and motivate employees and business partners to achieve shared grand goals. One of Kroc's most significant contributions was the creation of a strong organizational culture by focusing on customer service, product quality, and consistent operational standards across every McDonald's outlet. For example, policies such as "if the food is not served within 5 minutes, it will be free" reflect the commitment to customer satisfaction. Additionally, efforts to ensure maximum cleanliness at every McDonald's outlet not only enhance customer comfort but also build a reliable brand reputation. This culture has proven capable of increasing high customer loyalty and strengthening McDonald's position as a global market leader, according to Smith, 2020; Johnson et al., 2022 (Ghannam, 2024).

McDonald's was founded by Richard and Maurice McDonald in 1940 in California as a simple restaurant offering a fast service system. A major transformation began when Ray Kroc joined in 1954 as a franchise agent and later took over the company in 1961. Kroc introduced a franchise-based business model that allowed rapid expansion into various regions. In the 1970s and 1980s, McDonald's began implementing global operational standards, creating iconic menu items such as the Big Mac, and entering international markets. In the 1990s, McDonald's continued to innovate by adapting its menu to suit local tastes in different countries, making it a prime example of a global company with local adaptation. According to America House Chisinau (2022) and McDonald's World Economic Forum (2024), McDonald's currently operates more than 40,000 outlets in 120 countries and serves around 68 million customers daily. This global footprint makes McDonald's one of the largest restaurant chains in the world by revenue. A report in 2018 showed that McDonald's

operated more than 37,855 outlets worldwide. Its global success and popularity can be attributed to an effective business strategy, focusing on advertising, innovation, and marketing. Kroc's contribution in building an efficient management system and a service-oriented organizational culture is one of the key factors behind this success (Singh, J., & Shukla, P. 2024).

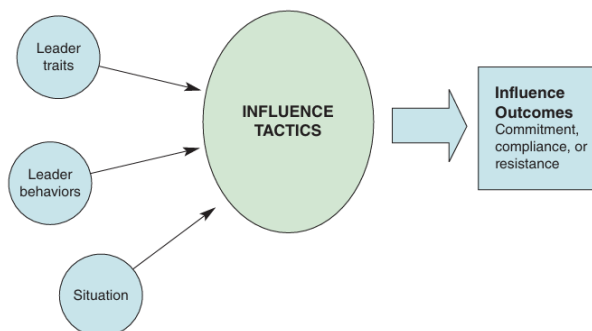
As a transformational leader, Ray Kroc fulfills the criteria outlined in Bass's (1985) transformational leadership theory as described by Dalkie & Botha (2024). These criteria include vision, inspiration, intellectual stimulation, and individualized consideration. Kroc's emphasis on innovation in the fast-service system, a quality-focused organizational culture, and the management of a global franchise network reflects how a transformational leader can build a highly competitive organization. Furthermore, Kroc's transformational leadership significantly contributed to organizational performance through increased customer satisfaction, employee engagement, and operational innovation (Northouse, 2021; Yukl, 2020) in Hui, Z., & Long, C. S. (2024). Additionally, research conducted by Vidani, J. (2024) highlights that the success of a company in a competitive business environment heavily relies on a customer-focused organizational culture, as implemented at McDonald's. By integrating a transformational vision, effective business strategies, and an inclusive organizational culture approach, McDonald's has achieved its success in the global market. This study aims to analyze how the influence tactics employed by Ray Kroc as a transformational leader shaped McDonald's organizational culture and strengthened its position as a global market leader in the fast-food industry, based on the Model of Power and Influence framework.

This research aims to analyze how Ray Kroc's influence tactics as a transformational leader contributed to shaping McDonald's organizational culture and positioning it as a global market leader in the fast-food industry, based on an analysis of Kroc's leadership through the Model of Power and Influence at McDonald's.

LITERATURE REVIEW

Influence tactics in leadership serve as a crucial link between leader traits, leader behaviors, and situational dynamics, which collectively shape organizational outcomes, according to Krasnopevtsev, N. J. (2024). Influence tactics such as rational persuasion, inspirational appeals, and consultation are driven by inherent leader characteristics and adaptive behaviors, which determine their effectiveness in fostering commitment or compliance (Hunter, et al., 2024). Furthermore, Adinew, Y. (2024) argues that situational

factors, such as organizational culture and external challenges, significantly moderate the selection and success of influence strategies. According to Park, et al. (2023), leader behavior must align with the situational context to achieve the desired outcomes, whether they be commitment, compliance, or resistance. Empirical findings by Dong, B. (2023) reveal that transformational leaders who use individualized consideration are more likely to achieve long-term commitment compared to those relying solely on transactional methods. Similarly, Ejaz, et al. (2024) highlight that the effectiveness of influence tactics depends on the leader's emotional intelligence and their ability to align behaviors with follower needs and organizational goals. Research by Wiroonrath, et al. (2024) emphasizes the importance of integrating leader traits, leader behaviors, and situational variables into an influence model, as these factors collectively enhance the strategic application of influence tactics in various organizational contexts. In line with this, the contingency model by Burhan, et al. (2024) demonstrates that situational favorability significantly impacts the effectiveness of leader influence, affirming the interconnectedness of traits, behaviors, and context. Additionally, the situational leadership theory by Hassan, A. (2023) reinforces the idea that adaptive leadership styles are essential for optimizing influence tactics under varying situational demands. By leveraging these insights, leaders can refine their strategies to maximize influence outcomes, ensuring alignment with organizational goals.



Model of Power and Influence (Dubrin, et al. 2023: 203)

The influence model illustrated shows that a leader's influence tactics are shaped by leader traits, leader behaviors, and situational context, which ultimately result in three possible outcomes: commitment, compliance, or resistance. This theory refers to a multidimensional approach in leadership research to understand how leaders influence individuals or groups within organizations. According to Yukl and Tracey (1992), as cited in Korkmaz & Koşar (2023), a leader's influence tactics can be classified into nine main categories, including rational persuasion, inspirational appeals, and consultation. The

selection of these tactics is greatly influenced by the leader's individual characteristics, such as charisma, emotional intelligence, and integrity (Salloum, et al., 2024). Other research highlights that the effectiveness of influence tactics often depends on the leader's interpersonal competencies, where the ability to understand situational dynamics and adapt behaviors is key to success (Nanjundeswaraswamy, et al., 2024). Furthermore, research by Steinmann, B. (2023) shows that certain combinations of influence tactics, such as collaboration and goal-setting, tend to result in higher commitment from followers compared to the use of coercion or direct control. In a situational context, Hersey and Blanchard (1982), as cited in Cortes, M. (2023), introduced the concept of situational leadership, asserting that leaders who are flexible in adjusting their style to the needs of the situation are more likely to achieve positive outcomes. Contemporary research also emphasizes the importance of the relationship between leader behavior and influence outcomes. According to Keller (2006), as cited in Badrinarayanan, et al. (2024), behaviors such as employee empowerment and effective communication can reduce resistance to organizational change. Additionally, Ghayas, et al. (2023), found that servant leadership often influences organizational commitment levels by enhancing trust and respect between leaders and followers. In broader empirical research, Mollazehi, et al. (2024), stated that influence tactics utilizing psychological principles, such as reciprocation, commitment, and social proof, have a significant impact on individual behavior. For example, research by Roy, et al. (2023), found that tactics relying on coercion often lead to resistance, especially in unsupportive work environments.

B. METHOD

This research employs a literature review approach as the primary method to explore concepts, theories, and previous research findings relevant to the discussed topic. The study is conducted through the collection and critical analysis of various credible sources, such as scientific journals, books, research reports, and other official documents. This approach aims to identify patterns, uncover gaps in existing research, and provide both theoretical and practical contributions in the field of Human Resources (HR). The data analysis process is carried out systematically and meticulously to ensure the validity and relevance of each source used (Neuman, 2014).

C. RESULTS AND DISCUSSION

Ray Kroc is a figure widely known for his ability to transform McDonald's from a small restaurant in California into the world's largest fast-food chain. His transformational

leadership played a vital role in creating a grand vision that not only propelled McDonald's to the top of the fast-food industry but also established a strong organizational culture focused on efficiency and innovation. In this analysis, Kroc applied the Model of Power and Influence, demonstrating how he used his influence to foster deep commitment to the organization's vision while driving behaviors aligned with the standards he set. His leadership analysis encompasses several key aspects. In Leader Traits, Kroc was known for having a clear vision, resilience, and a strong spirit of innovation. In Leader Behaviors, he exhibited inspirational behavior, commitment to quality, and the ability to effectively motivate his team. Through Situational Dynamics, Kroc adeptly adapted to global market challenges and made strategic decisions. His leadership was also evident in his efforts to build Commitment, ensure Compliance, and overcome Resistance, resulting in a collaborative and innovative work culture at McDonald's. The transformation he led laid a solid foundation for an organizational culture that propelled McDonald's to become a global leader in the fast-food industry. By leveraging strategic influence tactics such as aligning a shared vision, strengthening relationships with business partners, and adopting a persuasive approach to motivate employees and franchisees, his strategies ensured not only uniform operational standards worldwide but also established a strong and consistent brand image, making McDonald's the top-of-mind brand in the fast-food industry. Furthermore, his leadership instilled values such as fast service, consistent quality, and affordable prices, which have become the cornerstone of McDonald's organizational culture to this day. Kroc was not just a business leader but also a cultural architect who successfully integrated his influence to create an iconic and enduring organizational model.

Ray Kroc in Leader Traits

Ray Kroc demonstrated distinctive leadership characteristics, such as a strong vision, charisma, persistence, and innovation, which became the foundation of his success in transforming McDonald's into the largest fast-food restaurant chain in the world. According to the theory of Yukl and Tracey (1992) in Korkmaz & Koşar (2023), leadership characteristics significantly influence the effectiveness of influence tactics used. In this context, Kroc was able to inspire business partners and franchisees to follow his vision of creating an efficient, consistent, and high-quality fast-food system. His charismatic nature was reflected in his ability to build close relationships with business partners, convincing them to invest in the McDonald's franchise model, and ensuring the implementation of uniform standards across

all outlets. Ray Kroc, the founder of McDonald's, demonstrated his charismatic nature by building close relationships with business partners. He successfully convinced Richard and Maurice McDonald to join the McDonald's franchise company in 1955 (Anderson & Kroc, 2018). This ability to build relationships and persuade enabled Kroc to expand the McDonald's network to 100 outlets in the United States within five years (Schlosser, 2001). Furthermore, Kroc also possessed strong leadership skills, allowing him to ensure the implementation of uniform standards across all McDonald's outlets (The Founder, 2016 in Wahyuni, C. (2023)). In 1965, McDonald's became a public company with a stock value of \$300 million, marking Kroc's success in leading the company (Forbes).

Kroc's vision to create a superior and consistent customer experience worldwide became the foundation of McDonald's global expansion strategy. His innovative nature was clearly evident when he introduced the modern franchise system, which allowed the company to expand rapidly across various countries. This reflects the transformational leadership principles proposed by Bass (1985), especially in terms of vision and inspiration. By paying attention to customer needs and adapting the menu to local cultures in different countries, Kroc ensured that McDonald's was not only accepted globally but also locally relevant. For example, menu items like McAlloo Tikki in India and McSpaghetti in the Philippines demonstrate strategic innovation in aligning products with local customer preferences.

Kroc's perseverance was also one of the key elements in his success. According to the Power and Influence model by Dubrin et al. (2023), leaders who are persistent can use rational persuasion and inspirational appeals to motivate employees and business partners. Kroc diligently ensured that all McDonald's branches adhered to strict operational standards, such as cleanliness, food quality, and fast service. His efforts to maintain operational consistency worldwide not only enhanced customer trust but also strengthened McDonald's reputation as a global market leader. For example, the policy "if food is not delivered within 5 minutes, it's free" reflects a customer-focused approach and demonstrates a commitment to customer satisfaction. This supports Vidani, J. (2024), who states that a customer-oriented organizational culture is a key factor for success in a competitive business environment.

Ray Kroc in Leader Behavior

Ray Kroc demonstrated a combination of visionary and adaptive leadership behaviors, reflected in the application of influence tactics such as rational persuasion, inspirational appeals, and consultation. This approach not only ensured operational efficiency but also

created a strong organizational culture, making McDonald's the leading fast-food chain in the world. Based on the theory of Influence Tactics of Leaders by Yukl and Tracey (1990) in Korkmaz & Koşar (2023), Kroc's behavior reflects the strategic utilization of influence tactics to achieve commitment and compliance from his employees.

Rational Persuasion

Kroc used a data-driven approach to introduce operational innovations such as the Speedee Service System, designed to improve service efficiency at every McDonald's restaurant. This tactic aligns with the research of Yukl and Tracey (1992), which emphasizes that rational persuasion is one of the effective strategies for gaining commitment from followers. In this context, Kroc provided logical arguments supported by concrete evidence to convince franchise partners and employees of the benefits of the innovation. For example, the Speedee Service System not only increased the speed of food delivery but also ensured consistency in quality, which became McDonald's competitive advantage in the global market.

Inspirational Appeals

The inspirational appeal of Kroc is evident in his ability to instill core values such as "QSC&V" into the organizational culture of McDonald's from its early establishment, which consists of Quality, Service, Cleanliness, and Value (Hinson, et al 2024). Quality emphasizes consistency and product excellence by ensuring that every meal served meets high standards and uses the best ingredients. Service focuses on delivering fast, friendly, and efficient service to every customer. Cleanliness reflects McDonald's commitment to maintaining a clean and hygienic restaurant environment as a top priority at every branch. Value centers on providing an experience that is worth the price paid by customers. These values play a crucial role in shaping the company's identity, influencing operational efficiency, enhancing employee loyalty, and providing a consistent customer experience worldwide.

The application of QSC&V across all McDonald's branches aims to ensure uniformity in service and product standards. This implementation creates a competitive advantage through operational consistency, which is one of the key factors behind McDonald's success in maintaining customer loyalty globally. QSC&V reflects a rationalization approach in business management that emphasizes efficiency, calculability, predictability, and control. This approach enables McDonald's to effectively manage thousands of branches without compromising the customer experience, making it a best practice example in the fast food industry. From the perspective of Kotler and Keller in Hinson, et al. (2024), the core values

like QSC&V are emphasized in modern marketing strategies to create a consistent and reliable customer experience. By prioritizing QSC&V, McDonald's not only succeeds in meeting customer satisfaction but also integrates these values into its brand identity, which is globally recognized.

Furthermore, by emphasizing the importance of a shared vision, Kroc succeeded in motivating franchise partners and employees to view McDonald's as more than just a business, but as a movement that changed the fast food industry. This aligns with the concept of transformational leadership, which highlights the importance of vision and inspiration in building long-term commitment (Bass, 1985, in Dalkie & Botha, 2024). For example, the policy "if the food doesn't arrive within 5 minutes, it will be free" not only increased customer trust but also strengthened employee spirit to provide the best service.

Consultation

Kroc also demonstrated consultative behavior by involving franchise partners in strategic decision-making, particularly related to operations at the local level. This approach strengthened the partners' commitment to the company's vision and ensured the successful implementation of operational standards at various locations. The consultation carried out by Kroc reflects the integration of the situational leadership principle (Hersey and Blanchard, 1982, in Cortes, M., 2023), where leaders adjust their approach to the needs of the situation and followers. For example, Kroc worked with franchise partners to ensure that cleanliness and efficiency standards were maintained, while also providing flexibility in adjusting the menu to local preferences.

Ray Kroc in Situational Dynamics

Ray Kroc successfully leveraged situational dynamics to build a strong and adaptive organizational culture at McDonald's. Referring to the situational leadership theory by Hersey and Blanchard (1977), Kroc demonstrated flexibility in his leadership style to address various challenges and needs at each operational location. For example, when expanding McDonald's network into international markets, Kroc recognized the importance of menu adaptation to reflect local preferences, such as offering McSpicy Paneer in India and Nasi Uduk in Indonesia. This step reflects the application of individualized consideration as explained by Bass (1985), where the needs and preferences of local customers were a primary concern to ensure customer satisfaction.

Additionally, Kroc used rational persuasion and inspirational appeals to gain support from franchise partners and employees in implementing consistent global operational standards. According to Dong (2023), leaders who combine these influence tactics tend to be more effective in driving commitment than those who rely solely on transactional approaches. For instance, Kroc persuaded franchise partners to invest in training and maintain restaurant cleanliness by emphasizing the long-term importance of brand reputation. These efforts reinforced an organizational culture focused on quality and customer service, which became the foundation of McDonald's success as a global market leader.

Furthermore, Kroc was able to identify opportunities amidst the changing lifestyle of society, which increasingly prioritized efficiency, such as the desire for affordable yet high-quality fast food. According to the contingency model by Burhan et al. (2024), situational favorability influences the effectiveness of a leader's influence. In Kroc's case, he capitalized on this situation by introducing an innovative service system, such as the Speedee Service System, which became McDonald's competitive advantage. His ability to read situational dynamics and adjust his influence strategies not only increased employee compliance but also resulted in long-term commitment from customers and business partners.

Transformational Leadership of Ray Kroc in Achieving Commitment, Compliance, and Resistance

In Commitment, Ray Kroc successfully created long-term commitment from franchisees and employees by building a consistent organizational culture across the McDonald's network. The implementation of individualized consideration, as proposed by Bass (1985) in Dalkie & Botha (2024), is evident in Kroc's approach to the unique needs of each outlet. For example, Kroc not only set global standards but also encouraged local adaptation to meet customer needs in various regions, such as adjusting the menu to local tastes in different countries. This approach fostered loyalty among employees and franchisees, as Judge and Bono (2000) explained, that attention to individual needs can increase engagement and long-term commitment. Additionally, Kroc's focus on human resource development through training at Hamburger University strengthened employees' sense of responsibility towards McDonald's mission and vision.

Then in Compliance, Kroc also ensured high compliance with operational standards through the implementation of intensive training systems at Hamburger University. According to Podsakoff and Schriesheim (1995), compliance can be achieved when the

leader's behavior aligns with the demands of the situation and the organization's objectives. Kroc applied this principle by emphasizing the importance of fast service standards and cleanliness across all outlets. These standards not only served as operational guidelines but also formed the foundation of McDonald's reputation as a reliable global fast food network. By providing comprehensive and detailed training, Kroc was able to integrate rational persuasion as an effective influence tactic to ensure that every employee and franchisee adhered to the company's vision and values.

Based on Resistance, Kroc was not exempt from challenges, including initial resistance from some franchisees to innovation and changes in operational systems. However, by relying on a combination of rational persuasion and consultation, Kroc successfully reduced this resistance. This approach aligns with the findings of Hersey and Blanchard (1982) in the concept of situational leadership, where adapting leadership style to meet the needs of the situation can yield positive results. For example, when facing skepticism from franchisees about the franchise-based business model, Kroc used data supporting the success of his system to convince them of the long-term benefits of the change. This approach reflects that adaptive influence strategies can transform resistance into an opportunity to strengthen organizational integration, as also found by Dong (2023) in a study on the effectiveness of transformational leadership.

McDonald's Organizational Transformation

Ray Kroc played a key role in transforming McDonald's from a simple restaurant into a leading global fast food chain. As a transformational leader, Kroc not only developed a vision for the company but also built an organizational culture that supported global expansion and long-term success. In the context of the Power and Influence Model by Dubrin et al. (2023), Kroc utilized influence tactics such as rational persuasion, inspirational appeals, and consultation to shape an efficient and quality-focused culture. Kroc implemented strict global operational standards and uniform training to ensure that every McDonald's branch worldwide maintained consistent service levels and product quality. For example, the Speedee Service system introduced by Kroc increased operational efficiency by reducing service time, allowing McDonald's to become a top-of-mind brand in the fast food industry.

Kroc's emotional intelligence was also evident in his ability to adapt McDonald's culture to different local contexts without sacrificing the global brand identity. This aligns with the view of Hersey and Blanchard (1982), who state that a transformational leader must have

emotional intelligence to understand and adjust behavior to the needs of followers and the situational context. Kroc recognized that people in different countries had different preferences and cultures, so he innovated by adjusting the McDonald's menu to local tastes, while still maintaining high standards of quality and service. For example, in some Asian countries, McDonald's added rice-based or local ingredient options to appeal to local customers, but still maintained the consistency and quality of the products as implemented globally.

The transformational leadership implemented by Kroc also focused on employee development through high-standard education and training. One significant innovation supporting this vision was the establishment of Hamburger University, McDonald's training center aimed at developing employee skills and knowledge in accordance with restaurant operational procedures. Hamburger University provides comprehensive training in operational management, leadership, and customer service based on core values such as quality, service, cleanliness, and speed (QSC&V). According to Northouse in (Mudd, et al 2024), the transformational leadership approach involves the development of individuals to reach their full potential, which, in the context of McDonald's, is achieved through formal education at Hamburger University. Additionally, Becker, M.'s Human Capital Development theory (2024) emphasizes that investing in employee training and development increases productivity, efficiency, and loyalty, all of which are pillars of McDonald's success in maintaining global standards and service consistency.

Through individualized consideration, where he gives more attention to the needs of employees and inspires them to commit to the company's vision. According to Bass (1985) in Dalkie & Botha (2024), this characteristic is part of the transformational leadership theory that emphasizes the importance of inspiration and personal attention from leaders. Through this approach, Kroc successfully created high loyalty among employees and business partners, which in turn increased customer loyalty. Research by Vidani (2024) affirms that customer-oriented organizational culture, like the one developed at McDonald's, is a key factor in the company's success in a highly competitive business environment. By integrating the values of quality, efficiency, and service, Kroc managed to make McDonald's a fast food symbol that is not only loved but also trusted by customers worldwide.

McDonald's (McD) has successfully achieved the position of one of the best fast-food companies in the world. With 13,457 locations in the United States and more than 38,695

locations in 100 countries, McD has become one of the most widespread and globally recognized brands (Statista, 2023). Additionally, McD's annual revenue reaches \$23.2 billion, indicating strong financial capabilities (Statista, 2023). With 210,000 employees worldwide and 64 million customers every day, McD has created a significant economic and social impact (McDonald's Corporation Annual Report 2022). In Indonesia, McD also shows impressive performance with more than 230 locations and 10,000 employees. McD's success can be attributed to the significant role of Ray Kroc in becoming a transformative leader. Therefore, McD deserves to be called one of the best fast-food companies in the world.

Ray Kroc, through the application of the Power and Influence Model, demonstrated how a transformational leader can create an organizational culture that supports global expansion and long-term success. His leadership stood out in terms of leader traits, such as a strong vision, charisma, and determination. Kroc also successfully applied leadership behaviors, such as rational persuasion, inspirational appeals, and consultation, which encouraged efficiency and innovation within the organization. By adapting his leadership style to specific situations (Situational Dynamics), Kroc was able to tackle global challenges with strategic adjustments. The result was long-term commitment, compliance, and management of resistance, all of which built a strong foundation for McDonald's to become the world leader in fast food. The organizational culture transformation created by Kroc serves as a real example of how influence tactics can create a sustainable.

D. CONCLUSION

Ray Kroc's transformational leadership was instrumental in McDonald's evolution from a small restaurant into a global fast-food leader. By leveraging the Model of Power and Influence, Kroc effectively utilized rational persuasion, inspirational appeals, and consultation to establish a robust organizational culture centered on quality, service, cleanliness, and value. His adaptive leadership style fostered commitment and compliance while overcoming resistance, enabling McDonald's to maintain consistent global standards and innovate locally to meet diverse customer needs. Kroc's visionary approach not only drove operational efficiency and brand loyalty but also set a lasting example of how transformational leadership and strategic influence can achieve sustained organizational success.

E. SUGGESTIONS

To maintain its position as a global leader in the fast-food industry while promoting sustainable innovation, McDonald's needs to adopt integrated and data-driven strategic steps.

First, McDonald's can launch a Leadership Innovation Program to train operational leaders across the network to become change agents with a transformational leadership approach. With modules such as rational persuasion, inspirational appeals, and consultation, this program can enhance employee commitment and ensure global standards remain consistent, in line with the Power and Influence theory (Dubrin et al., 2023) and Transformational Leadership theory (Bass, 1985). Second, McDonald's needs to integrate cutting-edge technology to create an interactive customer experience through the use of Artificial Intelligence (AI) and Machine Learning (ML), such as smart kiosks that personalize menu recommendations. This is supported by the Situational Leadership theory (Hersey & Blanchard, 1982), which emphasizes the importance of adapting technology to meet modern customer needs. Furthermore, McDonald's is advised to launch sustainability initiatives, such as locally sourced and eco-friendly menu items through the "McFuture Foods" program, to attract new customer segments and strengthen the company's social commitment. This approach aligns with Stakeholder Theory (Freeman, 2020), which underscores the importance of social responsibility. Additionally, McDonald's can strengthen internal communication by implementing real-time communication platforms to align organizational goals and enhance collaboration across the global network, as proposed in Transformational Leadership Theory. Lastly, optimizing data-driven analytics will provide sharper strategic insights to support decision-making, increase efficiency, and predict market trends, in line with Decision-Making Theory (Simon, 1979). By implementing these recommendations, McDonald's can not only maintain its position as a global market leader but also create sustainable innovation that strengthens relationships with customers, employees, and business partners worldwide.

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