

Integrating e-Learning into McDonald's Worldwide On-the-Job Restaurant Learning System

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Organizational Setting

This case involves integrating e-learning into McDonald's well-established system of structured, on-the-job training for its worldwide network of restaurants. The case begins in 2001. McDonald's had grown in 50 years to a Fortune 200 global restaurant system with approximately 30,000 restaurants in 110 countries. The total employment in these restaurants was 1.5 million people with more than 100 percent turnover, speaking 28 different languages.

The McDonald's restaurant training system in 2001 was highly standardized and supported a standard menu and standard food preparation and other restaurant processes and practices. Standard training materials were provided by Hamburger University at McDonald's World Headquarters in Oak Brook, Illinois, USA. Crew trainers and managers trained the restaurant employees in each restaurant using these standard training materials and performance aids. The managers themselves were generally up from the ranks of restaurant employees and trained to be restaurant managers at one of the Hamburger University's several global locations. This restaurant learning system had been effective and, in fact, copied by many other retail businesses as a model of best practices.

The focus of this case study will be on the first level, the Crew Development Program. This section is an overview of the Crew Development Program prior to the initiative to integrate e-learning. Crew members are trained by the crew trainers using a series of training modules and supported by a variety of training and performance support tools in a "shoulder-to-shoulder" coaching environment.

This training typically takes approximately two months before the trainee has mastered all of the learning requirements. Crew trainers are trained by shift managers following a similar approach. The crew trainer curriculum contains six major modules and is completed in five to seven shifts.

The basic approach for crew development follows a four-step approach for each module of training. The crew trainer manages this four-step process. Each module is focused on a specific task or group of tasks; for example, fries. The goal of the module is to enable the learner to pass 100 percent of the performance criteria while performing the actual task or collection of tasks. The end performance is verified by the crew trainer on a Station Observation Checklist.

The e-learning system, which will be described in the next section, was designed to integrate into the existing Crew Development Program. The e-learning components replace or augment elements such as Crew Training Flyers or Videos; they do not replace the crew trainer, and they do not change any of the essentials of the four-step training process.

What they do accomplish is freeing up the crew trainer for other restaurant tasks while the trainee is focusing on learning a specific procedure, and they give the trainee time to practice and develop skills using simulations. They also assure that all trainees get a consistent message.

Business Issue

Why did McDonald's decide to interject a major change into a system that had been perfected over decades? First, let us look at business issues driving learning in the restaurants.

- Turnover and growth brought 1.5 to 2 million new trainees into the system each year.
- New product introductions require timely training of restaurant employees to sell, make, and serve the new products.
- New restaurant operating processes, practices, equipment, and technology change the way people work and require new skills and knowledge.
- Product integrity and safety require that people actually acquire and use critical skills and knowledge.
- Career development (promote from within) is a philosophy that requires developing people beyond the minimum skills to perform their jobs.
- Deploying best practices is a way of enhancing restaurant performance across the system and requires new learning for everyone.
- The bottom line here is that the restaurant is a learning place, and much time, cost, and effort go into training in the restaurant. Many of the issues

driving learning in the restaurants involve new or changed content. Disseminating new content in a timely way to 30,000 restaurants in 110 countries is difficult and costly.

- There were four major business issues driving e-learning as a part of a blended, structured, on-the-job training system for the restaurants.
- The need for worldwide consistency in performance with changing product mix, processes, practices, and technology
- The high cost of deploying conventional training materials to 30,000 restaurants worldwide.
- High potential value for reducing learning time, reducing trainee time, and reducing turnover due to inadequate learning; with 1.5 to 2 million new trainees per year, the modest savings have big multipliers resulting in savings of hundreds of millions of dollars
- Measurement and accountability for training results

The e-learning initiative was launched in 2000 by the Worldwide Training, Learning and Development organization at the corporate headquarters in Illinois. The project organization was a key to getting management input and acceptance from both the restaurant management and training communities in the company. Roles and teams were established as follows:

- Executive sponsors – Vice President Learning and Vice President Global Restaurant Operations
- Steering Team – McDonald's executive leadership
- Working Team – Global representatives from the training communities, Information Systems and Human Resources
- Design Team – representatives from Worldwide Training, Learning and Development with consultants
- Expert external reviewers

The e-learning strategy process involved six phases of work completed over a period of five months. These six phases are described below.

1. *Scoping* – reviewing existing learning strategy, selecting target audiences and geography, identifying business objectives for the strategy, and developing a Project Plan and Proposal for management.
2. *Opportunities/Business Assessment* – identifying the business drivers and their learning implications, assessing the information technology readiness both current and future, financial analysis, and finding boundaries between training, human resources, and information systems.
3. *e-Learning Vision and Strategic Approach* – reviewing industry best practices, identifying benefits and challenges, defining the expected outcomes, and the major strategies needed to achieve the outcomes.

4. *e-Learning System Architecture and High-level Requirements* – defining learning systems/modalities, creating a plan for integration with conventional system/modalities, identifying information technology infrastructure requirements, identifying staffing implications and requirements.
5. *e-Learning Business Case* – forecasting benefits of e-learning and blended solutions compared to conventional learning scenarios (quantitative) and identifying results that impact employees beyond training (qualitative).
6. *Implementation Plan* – project planning, scheduling, and budgeting for a pilot program involving development of e-learning modules, and customization and pilot application in six countries, four languages, on four continents.

Description of the Training Program

The training element that emerged from the strategy included:

- Restaurant learning system
- Content architecture
- Technology architecture

The Restaurant Learning System as shown in Figure 1 was redesigned to incorporate a blend of e-learning and shoulder-to-shoulder coaching and verification for restaurant crew and a blend of e-learning online modules and classroom training at Hamburger University for managers. The e-learning modules for crew included both electronic performance aids and off-line electronic learning modules.

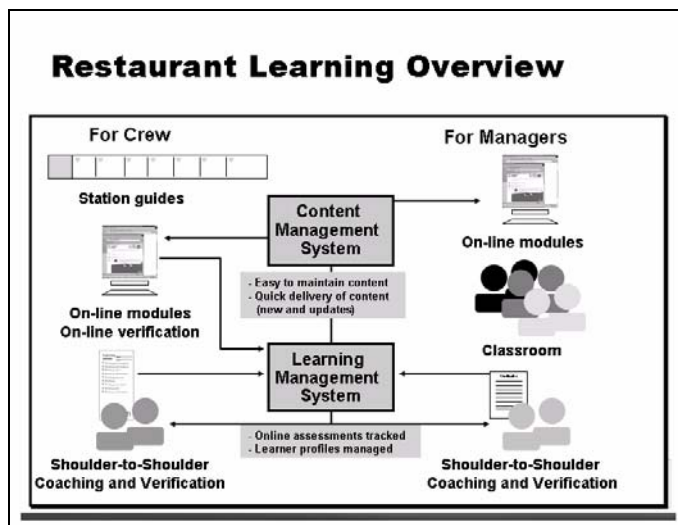


Figure 1: Restaurant Learning Overview

The essential four-step process for crew training was not changed. The e-learning modules merely replace or augment conventional training materials and performance aids in this process. This approach was shown to have three advantages:

1. The restaurant management and crew trainers did not have to learn a new way of training their crew, just some new tools to help them improve the existing training process.
2. E-learning modules can be fed into the system as they are developed. This permits budgeting for development over a number of years and it permits learning from experience with this new training modality.
3. The proven essentials of the Crew Development Program are retained; including the series of learning modules, four-step process, crew trainers, and the Station Observation Checklist.

These advantages taken together went a long way to reduce the inherent risks of introducing a new learning technology into an already successful system.

Developing the Training Program

The module development process is presented in Figure 2. In order to fully test the viability and value of the new restaurant blended learning system, it was necessary to select a list of learning modules and performance aids that represented the different types of learning needed in the restaurants for crew and managers. The module development process included two phases: 1) Developing the module in English and 2) Localizing which included translation and adaptation of content to end users' cultural and language conventions. The development was outsourced to vendors who could meet the company's global expectations as shown in Figure 3.

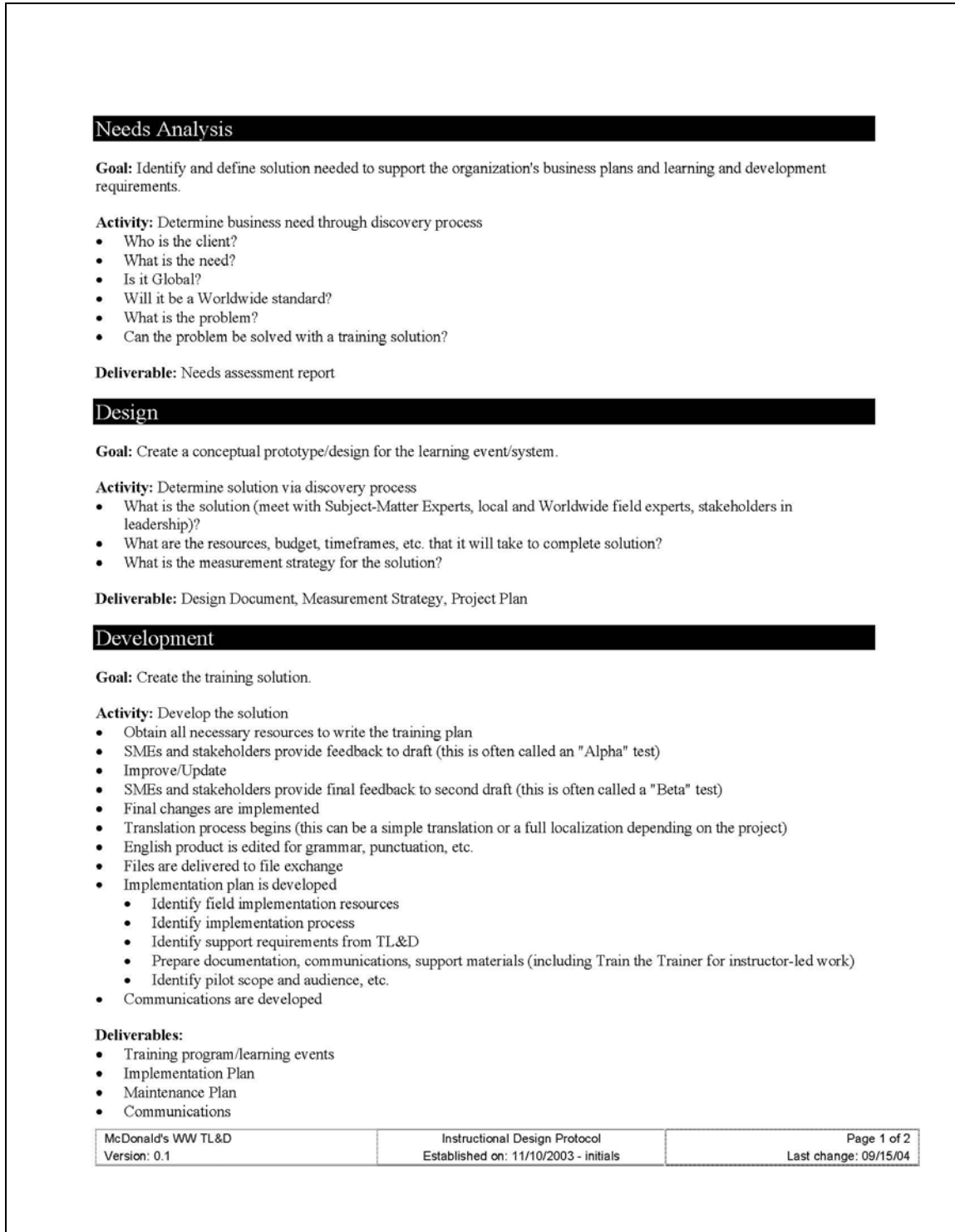


Figure 2. Primary English Module Development

Implementation

Goal: Implement the program worldwide.

Activity: Pilot test the training solution in the field

- Test the solution
- Evaluate/Update the solution per pilot results
- Roll out the solution full scale

Deliverable:

- Implementation toolkit
- Train-the-trainer
- Communications (executive summaries, website information, brochures, webcasts, etc.)
- Seed store training (if US) or like process for pilot
- Pilot report

Evaluation

Goal: Evaluate if the program met the goals.

Activity: Follow evaluation protocols developed for the specific project.

Deliverable:

- Level 1 evaluation (acceptance testing)
- Level 2 evaluation (do they understand what they are supposed to do?)
- Level 3 evaluation (are they doing what they are supposed to do? Is the training filling the gap?)
- Level 4 evaluation (what is the impact of the training on business measures?)

* Note: some of these phases occur simultaneously.

Figure 2 continued.



Figure 3. Vendor Expectations

Figure 4 shows the localization process used to ensure that the training modules would be useful in each restaurant location.

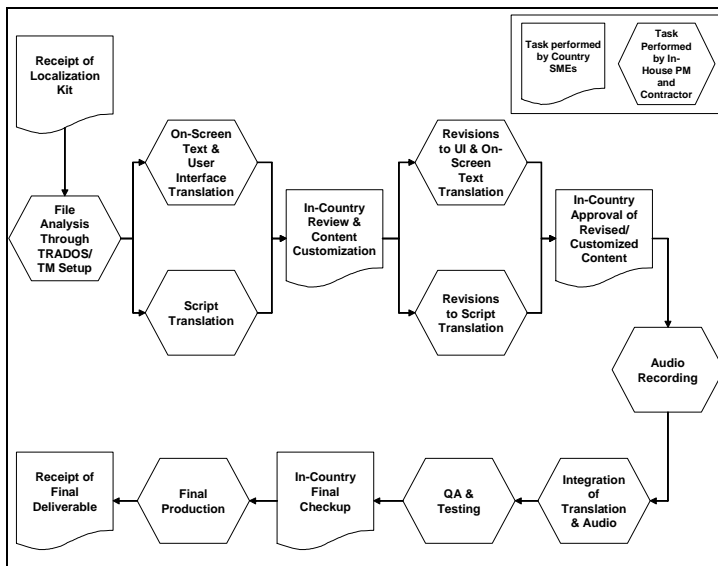


Figure 4. Localization process

The languages chosen for the pilot included

- English
- Chinese (a double byte language)
- Portuguese
- Spanish

The pilot applications would occur in

- Canada

- United States
- United Kingdom
- Brazil
- Taiwan
- Australia

Parameters for localization included

- Precise interpretation and translation of content
- Understanding content implications
- Social
- Business
- Economic
- Instructional integrity

The pilot implementation project spanned six countries, four languages, and 36 restaurants over several months. The working team decided the best pilot results would be achieved by going into the restaurant with a whole e-learning system that had built-in accountabilities for getting people trained. The e-learning system was introduced to each audience (crew, restaurant management, middle management-consultants, owner-operators, and McOpCo leaders) from an operational perspective with information on how to use it and how it would affect them. This ensured that the roll-out process was piloted as well as the instructional modules and tracking tools.

The following pilot process indicates where participation agreements would be utilized to ensure that each participating restaurant would conduct the pilot and gather the required information for measurement in the same way. In addition to participation agreements, the individual performer evaluations and the tracking and verification management support tools would provide pilot results data.

The pilot process involved the following tasks:

- Communicate e-learning strategy to country heads and relationship partners.
- Determine which countries are willing and have the resources to commit to participating in the pilot.
- Obtain country head, region, zone, and restaurant owners/McOpCo leadership support.
- Identify target restaurants in region to participate; look for diversity based on country or region: urban/large city, suburban, rural
- Identify consultants in region to support restaurants: operations consultant, business consultant, training consultant, and information systems support
- Obtain support agreement from consultants.
- Train consultants and give them pilot materials.

- Identify specific restaurants for participation.
- Screen restaurants for technology readiness, connectivity, network, and user platforms (information systems support).
- Obtain restaurant management participation agreement (business consultant).
- Install/configure pilot hardware as necessary for restaurant participation.
- Obtain baseline measures (operations consultant).
- Have consultants orient restaurant management to e-learning pilot activities.
- Have training consultant orient crew trainer to e-learning pilot.
- Have restaurant begin training crew using e-learning modules, tracking, and verification tools for the duration of the pilot.
- Collect measurement data (online and interviews).
- Create pilot reports.

Pilot Results

Figure 5 presents the average user frequencies per store for countries involved in the pilot. Overall, the pilot was judged to be successful. The e-learning integration with the Restaurant Learning System was judged a success at the restaurant level because

- It saved crew trainer time.
- It saved trainee time.
- The trainees liked it and talked about it to their friends.
- Crew trainers liked it.
- Trainee performance improved.

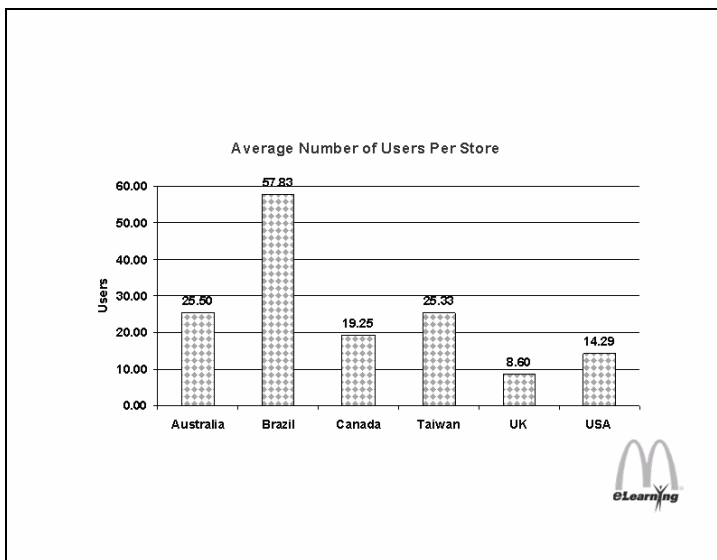


Figure 5. Average number of users per store

The questions addressed by the pilot included the following:

- What was the effectiveness of the development, translation and localization processes?
- Did the restaurants have the internal capabilities to implement the system?
- How well did learners and managers adapt to the system?
- What was the value of the learning tools?
- What was the impact on employee and customer satisfaction?
- What was the scalability to ensure full implementation?
- What were the technology requirements to ensure implementation?

We found that the modules could be developed, translated, and localized, even though it was not easy. We learned so much from this. Indeed, we could easily spend several more pages on this topic alone. Learners and restaurants want e-learning and employees are more productive sooner resulting in good return on our investment.

Table 1 shows the reactions by trainees and managers about the new training system. We also determined what we need for our platform requirements and are taking the leadership role on enterprise-wide computing systems for the crew access point.

Question	<i>Scale: 1 = Strongly Disagree, 5 = Strongly Agree</i>		
	Leadership Level	Store Level	Overall
E-learning did not interfere with other store operations	4.37	3.92	4.13
New crew members using e-learning displayed more confidence than those traditionally trained	3.83	4.10	4.02
New crew members using e-learning were quicker to successfully complete Station Observation Checklists than those traditionally trained	3.93	4.07	4.04
Crew members using e-learning displayed improved interactions with customers than those traditionally trained	4.01	4.22	4.14
New crew members using e-learning required less shoulder-to-shoulder training than those traditionally trained	3.72	3.81	3.78
E-learning will improve employee recruitment and retention	3.79	4.45	4.18
E-learning integrated well with the stores' existing training	4.03	4.11	4.08
E-learning reports reduced the time needed to track training	3.85	3.86	3.87
E-learning improved the training experience for crew members	4.22	4.15	4.25

E-learning improved the training experience for trainers in the stores	4.42	4.21	4.29
Overall, e-learning had a positive impact on customer satisfaction	3.96	4.29	4.10
McDonald's should continue to develop and implement e-learning for our crew	4.60	4.44	4.51

Table 1. Leadership and Crew Reactions to the New System

Lessons Learned and Pilot Measures

While this was a phased rollout, the charts show that it takes time to build momentum for e-learning. The numbers continued to escalate even after the pilot was completed. Now, there are approximately 8,000 restaurants in the United States today using e-learning. A decision has been made to make e-learning a platform requirement for new development, relocations, and rebuilds which will include 13,500 restaurants. The program is still live in the pilot countries with Brazil expanding and extending the use of e-learning.

Questions for Further Study

1. What factors need to be taken into account when planning a global learning initiative?
2. What business benefits might be expected from a blended e-learning, structured on-the-job training solution?
3. What benefits might the learners experience?
4. What would be some of the most important customization issues from country to country?
5. What organizational impediments might you expect when contemplating a global blended learning solution?