

Case study

Integrating McDonald's Business, Human resource, and staffing strategies

People are McDonald's most important asset. The company's success depends on the satisfaction of its customers, which begins with workers who have the attitudes and abilities required to work efficiently and provide good customer service. To execute its growth strategy, McDonald's has identified people as one of its three global corporate strategies. McDonald's claims that as an employer, it wants "to be the best employer in each community around the world." It also makes a "people promise" to its employees that "we value you, your growth, and your Contributions." Its five "people principles" reflected by its human resource strategy are respect and recognition; values and leadership behaviors; competitive pay and benefits; learning, development, and personal growth; and ensuring that employees have the resources needed to get the job done.

McDonald's has executed its operational excellence strategy well by tracking key indicators of product and service quality, speed, and accuracy. The company has also identified its people practices and approaches that substantially impact the firm's turnover, productivity, customer satisfaction, sales, and profitability. This has allowed it to develop a business model that emphasizes not only financial and operational factors but also people factors that improve the company's results by improving employee commitment, retention, productivity, and customer loyalty. Because its business strategy relies on providing customers quality, cleanliness, quick service, and value, McDonald's works hard at hiring people who want to excel in delivering outstanding service. Many of its restaurant employees are teenagers, and McDonald's is their first employer. The company tries to recruit and hire the best people, retain them by offering them ongoing training, and then promote from within to fill its managerial positions. To ensure that it is recruiting the right people, the company has identified important skills and behaviors that it looks for in applicants. McDonald's has found that the best way of hiring quality crew members is to advertise inside the restaurant and attract local people and/or friends of existing employees. McDonald's also recruits at local job centers and career fairs, using hiring material with a clear message targeted at its intended audience. As McDonald's CEO Steve Easterbrook says, "If you get the people part right, the rest will follow."