

Innovation in Flexible Working

McDonald's

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EFA overview

McDonald's has made a large investment in its people over the past few years in a bid to up the levels of employee engagement and overcome the perception that it only offers dead-end jobs. Its flexible working initiatives, in particular the **Family and Friends Contract**, are just part of this broader process. Now regarded as one of the most forward thinking employers in the UK, McDonald's believes it has broken new ground and redefined the parameters of flexible working in the country.

Initiative

McDonald's set out to develop flexible working options by capitalising on one of its strengths as a business. As many as 5,000 of its staff have a member of their family working, not just in the business, but in the same restaurant.

Aims of the initiative

McDonald's recognises that nurturing a culture of flexible working benefits both the business and staff. It increases efficiency, helps attract and retain a skilled workforce, reduces recruitment costs and increases morale, motivation and commitment.

With these aims in mind the restaurant chain set up the **Family and Friends Contract**, giving staff greater freedom to juggle their work and personal lives. The scheme also enables people whose caring commitments prevent them from being economically active to lead normal working lives.

By giving employees the freedom to manage their shift commitments in this way, McDonald's believes it will increase their engagement and job satisfaction. That goal is fundamental to its business aims. McDonald's understands that happy employees make for happy customers.

Approach taken

The **Family and Friends Contract** allows employees from the same family or a group of friends who are working in the same restaurant to share and cover each other's shifts in a way that best suits them.

At the outset, the scheme applied to married couples, parents, children, siblings, grandparents, step-families, adopted families, cohabiting partners and same-sex partners. However, the company has recently extended the contract to include extended family members, such as cousins.

With as many as 5,000 of the 72,000-strong workforce eligible for a **Family and Friends Contract**, the scheme has the potential to benefit a diverse mix of employees. It could be mothers with childcare commitments, older workers with other care concerns or students with deadlines to meet.

Challenges

The scheme was nearly a victim of its own success. It was first launched as a small scale project involving a small group of employees working in restaurants in Wales. However, the story was picked up by national and international media and received unexpected publicity.

Case Study



Many employees saw the press coverage. They wanted to know more about the flexible working initiative and how they could become involved. This all happened before McDonald's had the chance to communicate the scheme internally and the business was disappointed that employees heard about it first through the media.

Outcomes and benefits of the initiative

There have been many benefits to the thousands of employees who take advantage of the **Family and Friends Contract**. Feedback shows they feel more in control of their working day and proud to work for the business. Personal case histories bear witness to value of the initiative:

- The first people to take advantage of the **Family and Friends Contract** were Rita and her two daughters Laura and Natalie. They say it has enabled them to get a better work-life balance. In fact Rita says: "I'd love my husband to join up too, so that we can all plan our work and family life as one unit."
- Two sisters, working at one of the restaurants in Stoke-on-Trent and both with young children use the **Family and Friends Contract** to manage their caring responsibilities. Michelle has used the contract to juggle her father's hospital appointments with work. She says: "This contract has made working here even better because we are able to decide for ourselves who will cover our shift. It shows our manager values us and respects the family commitments we have too."
- Student sisters Claire and Ruth have taken advantage of the programme. It allows them to put their individual study needs ahead of their need to work their way through college, without feeling they have to sacrifice one for the other.

Impact on the organisation

The initiative has had a hugely positive effect on employee morale. Employees say the organisation is listening to them, taking account of their lives outside work and trusting them to manage their own time. This has translated into reduced sickness levels and low staff turnover for the industry.

In addition, a 2008 survey of employee attitudes found that 82% were proud to work for McDonald's – a 14% rise on the previous year. Meanwhile, 91% said they would recommend McDonald's as an employer to a friend.

Lessons learned

In hindsight, McDonald's says it should have launched the scheme internally earlier in the process. By developing an internal communications plan and subsequent support materials earlier, employees would have been informed about the **Family and Friends Contract** before the story hit the press.

Case Study