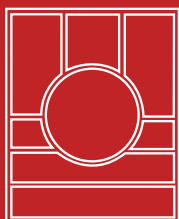


The Latin Looking *Glass*

Attracting and Retaining Ideal Hispanic Employees in the QSR Industry:

A McDonald's Case Study

Prepared by



Celebrating 20 Years of Progress

TRPI

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for the



McDonald's Hispanic Owner-Operators Association



Founded in 1985, the Tomás Rivera Policy Institute advances critical, insightful thinking on key issues affecting Latino communities through objective, policy-relevant research, and its implications, for the betterment of the nation.

The Tomás Rivera Policy Institute
University of Southern California
School of Policy, Planning, and Development
650 Childs Way, Lewis Hall, Suite 102
Los Angeles, California 90089-0626
Tel: 213/821-5615 • Fax: 213/821-1976

with offices at:
Columbia University, New York, New York

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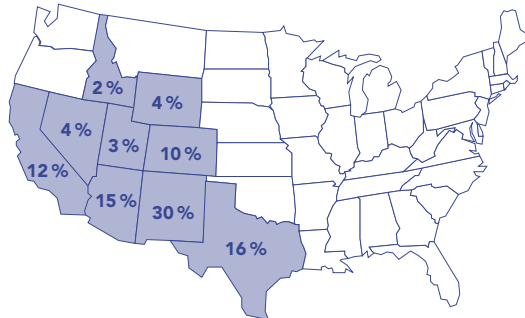
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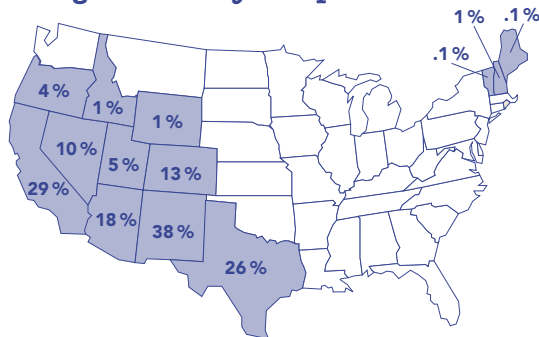
OVERVIEW

Today, there are over 40 million Hispanics living in the United States. These numbers will continue to grow: by 2030, more than 63 million Hispanics are expected to live and work in the United States.¹

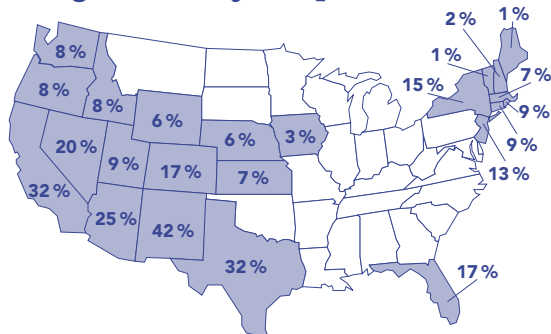
9 States Where Latinos Are Largest Minority Group: 1970 Census



13 States Where Latinos Are Largest Minority Group: 1990 Census



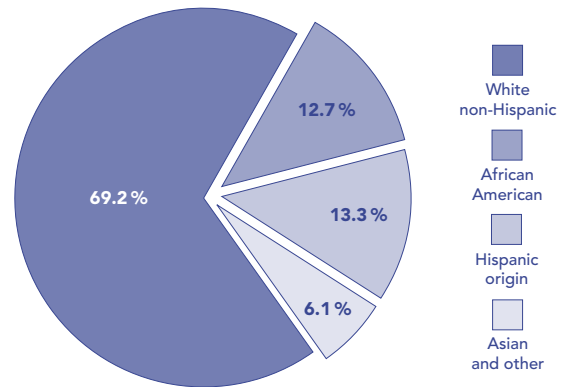
23 States Where Latinos Are Largest Minority Group: 2000 Census



Source: The Tomás Rivera Policy Institute

Many of those Hispanics will play instrumental roles in the future success of the quick service restaurant (QSR) industry: by 2010, the Hispanic labor force is expected to comprise 13.3% percent of the total U.S. labor force.²

U.S. Labor Force by Racial/Ethnic Percentage 2010 Forecast



Source: Howard N. Fullerton, Jr. and Mitra Toossi Employment Outlook: 2000-10. Labor force projections to 2010: steady growth and changing composition, Monthly Labor Review, November 2001.

In some parts of the U.S., Hispanics—especially recent immigrants—already play an important role in the fast food industry as crewmembers and managers. QSR jobs offer immigrants the opportunity to work at safe, entry-level positions, and to move up the U.S. socio-economic ladder; in return, restaurant operators are able to rely on bilingual employees who will work hard and, if they leave the job on good terms, likely become life-long customers.

Recognizing that it costs hundreds of dollars, on average, to hire and recruit every new employee, and that the demographics of the United States continue to shift to larger Latino numbers, McDonald's has a vested interest in better understanding how it can attract and retain the best Hispanic employees possible.

THE STUDY

In early 2005, the McDonald's Group at the Coca-Cola Company and the McDonald's Hispanic Operators Association (MHOA) commissioned the Tomás Rivera Policy Institute (TRPI) to examine the attributes of a successful Hispanic McDonald's restaurant employee. To do this, Southern California McDonald's restaurant operators of diverse racial and ethnic origin were recruited to assess the attributes of a successful Hispanic McDonald's employee. The operators then provided TRPI with the names of their "best" Hispanic employees; these employees in turn formed a pool of potential recruits for two additional focus groups.

¹ Source: <http://www.hsf.net>, accessed April 26, 2005

² Fullerton, Jr., Howard N, Toossi, Mitra, Employment outlook: 2000-10 Labor force projections to 2010: steady growth and changing composition, Monthly Labor Review, November 2001, <http://www.bls.gov/opub/mlr/2001/11/art2full.pdf>, 4/25/04, p.21.

This project consisted of several steps:

- 1 Conducting one focus group with Southern California McDonald's franchise owner/operators;
- 2 Conducting two focus groups with exceptional Southern California Hispanic managers and employees; and
- 3 Performing site visits and one-on-one interviews with exceptional Hispanic McDonald's employees in Orange and Los Angeles counties.

FOCUS GROUP CHARACTERISTICS			
Group	Participants	Race/Ethnicity	Gender
Los Angeles County			
1	10 Operators	Mixed	100% Male
2	7 Managers	Hispanic	71% Female 29% Male
Orange County			
3	6 Managers and 2 Crew	Hispanic	63% Female 27% Male

See Appendix for additional methodological details. Due to the limited size of the focus groups in this study, it is obviously not possible to generalize these findings on a national level to all McDonald's restaurants; however, these findings do suggest possible areas for further attention from other McDonald's owner/operators.

FINDINGS

Attributes of a Valuable Hispanic McDonald's Employee

Operators, managers, and crew had similar perceptions of what constitutes a valuable Hispanic McDonald's employee. In many cases, these attributes were ascribed as pertaining only to Hispanic employees—the focus group participants felt that, by far, Hispanic employees worked harder, took more initiative, and were as, if not more, dependable than other employees.

Strong Work Ethic

The best Hispanic McDonald's employees have a strong work ethic. In fact, there was unanimous agreement among respondents that Hispanic employees in general work harder than others, and are willing to undertake tasks that others resist. One employee said, "We've had others [non-Hispanics] come in, and they last for maybe a week or two. They leave either because it's too hard, or they don't know how to work. Managers will tell

them 'you need to do this,' and they'll sit there and look at them [in disbelief]. We [Hispanics] don't sit around and expect our checks to be handed to us." Another participant commented, "Hispanics are more willing to do everything than others—for example, cleaning the restroom." Another explained that anyone who has had to struggle in life will appreciate the value of a job. "Filipinos [for example], like Hispanics will work hard for money; those who don't have that experience, you'll lose them fast."

"I think we should feel blessed that we have this kind of a workforce, because in a lot of parts of the country they don't have this type of workforce and they are having a lot of problems."

— Franchise Operator about Hispanic Employees

While some respondents concluded that the work ethic was instilled in the home—some attributed this to their immigrant parents, who worked hard for a new life in the United States—many managers agreed that, in general, all Hispanics are raised with a strong work ethic and work the hardest.

There was widespread agreement that foreign-born Hispanics are the hardest-working group, and that they value a job at McDonald's more than any other group, including U.S.-born Hispanics.

Owner/operators agreed that foreign-born employees had the best work ethic, and stated that finding native-born employees with an immigrant work ethic was the ideal.

"I want the immigrant work ethic: willing to work hard and sacrifice; value their job as among the most important things in their lives; honest. [I]f you can find a native-born [employee] with an immigrant work ethic, you're home free."

—Franchise Operator

Customer Service

A commitment to providing excellent customer service was another trait the respondents identified as an attribute of an exceptional Hispanic employee. Employees who provide excellent service obviously reflect well on the restaurant, and customers tend to gravitate toward the best crewmembers.

What Makes an Employee Valuable?

According to the McDonald's restaurant operators and employees who participated in the focus groups, the following traits are characteristic of the best Hispanic McDonald's employees:

■ A Strong Work Ethic

This was stated as being the most important characteristic. Good employees work harder than others and have a lot of personal initiative. They are also more likely to take pride in their job, and in doing it to the best of their abilities.

■ Commitment to Customer Service

Ideal employees are energetic and have outgoing personalities. These employees enjoy interacting with customers and fellow employees.

■ Bilingual

The best employees can communicate with both customers and fellow employees in English and Spanish.

■ Dependability

The best employees are on time or early for their shifts, and rarely call in sick or ask to leave a shift early.

■ Teamwork

Employees who can foster a sense of team spirit can affect attitude and enthusiasm among the crew.

■ Sense of Ownership

Outstanding employees demonstrate a sense of ownership of the restaurant and want "their" restaurant to be productive and efficient.

■ Personal Initiative

Employees who further their own interests through dedicated work are more desirable team members.

At the same time, however, the survey participants also noticed that the best Hispanic employees develop relationships with their regular customers and receive valuable, ongoing input about the restaurant. The best Hispanic employees help to return customer feedback to McDonald's owner/operators about the condition of their restaurant, and the service of their employees.

Bilingualism

Although most of the restaurants where the respondents work have large numbers of Hispanic customers and employees, they all serve English-speaking customers as well. Consequently, bilingual employees are considered very valuable, especially at the front counter and the drive-thru window. One owner/operator explained, "We want them to speak English...many employees have learned how to speak English [on the job] because they have to."

At the same time, the ability to speak Spanish is important for similar reasons. As one employee pointed out, "Many customers speak Spanish, so it's important [to speak Spanish]. It's also important for a manager to be able to communicate [with customers and employees] in Spanish." One operator pointed out that there are many good employees in his restaurants who are not bilingual; however, he remarked, "I believe that [speaking Spanish only] is one of the things that gets in the way of us doing more business, when our customers don't feel comfortable in our restaurants."

Overall, it was generally agreed that hiring a bilingual workforce was the ideal strategy.

Dependability

Another important characteristic for outstanding Hispanic employees is dependability, which directly relates to a strong work ethic. Employee respondents claimed that white, non-Hispanic employees, especially younger ones, were less reliable than Hispanic employees. They were more likely to call in sick, be late for shifts, and ask to leave early. Respondents also noted that older employees were generally more reliable than teenage employees. One respondent elaborated, "I think that our older employees are better workers because the younger employees aren't working out of necessity. So they don't take their job as seriously as the older employees. They don't have the same responsibilities at home that older employees have." The respondents, many of whom were 18-24 years of age, felt that this was because teenage employees do not have the same financial responsibilities as the older employees.

Teamwork

All respondents spoke about the value of teamwork at McDonald's. One respondent explained, "If everyone's doing their part, everything runs smoothly. I like working with people. I look forward to going to work every morning."

Managers pointed out that their own attitudes definitely affect others in the workplace. If they are smiling, others will smile; if they are motivated, others will be motivated, all of which leads to greater productivity. The

managers were also aware that they set the tempo in the restaurant and had to set a good example for their fellow employees. Another manager said, “If you bring a good attitude to your job, they [your crew] will give you 100%...otherwise you could create morale problems [among your employees].”

Sense of Ownership

In return for dependability, a sense of ownership develops between these motivated employees and the restaurant where they work. A manager commented, “We noticed that the employees who have been there for a long time tend to show ownership over the store. One employee has been there for sixteen years and he owns that store.” This connection, in turn, leads to a greater commitment to hard work and restaurant productivity.

Personal Initiative

Respondents indicated that opportunities to advance at McDonald’s exist, and that managers take note of good employees for potential management training. However, the majority of employees agreed that, in order to advance, an individual must make their desire for promotion known to management. One employee explained, “I wanted to get paid more, and as a manager there are more benefits. It wasn’t hard, but it’s up to you how long it takes.” Others reiterated, “It’s up to you to get where you want. For me, I’m working hard, but I’m getting back what I want,” and “They give you the ball and you just have to run with it.”

“My best employees are upwardly mobile, contributing to us and doing something to advance what they ultimately want to do...within our organizational structure...”

—Franchise Operator

Employees who further their own interests through dedicated work are more desirable team members, and operators come to depend on these employees.

THE THREE MOST IMPORTANT FACTORS IN HISPANIC EMPLOYEE SATISFACTION

Respect

Virtually all employee respondents felt that being treated with respect was of vital importance to their satisfaction as McDonald’s restaurant employees. Employees want respect from customers, but especially from co-workers and management, because it allows quality employees to maintain a higher level of motivation and energy.

Employees also noted the perception that working for a fast food restaurant is viewed negatively by the mainstream public. Other employees noted that they must deal regularly with belligerent behavior from some restaurant guests. Managerial and co-worker respect helps counteract such job-related negativity.

Recognition

Positive feedback and recognition for good work is very important for employees at all levels. The majority of respondents indicated that they liked receiving positive feedback regularly, but as one respondent explained, it doesn’t always happen. “I’m a great problem solver, I work hard to make sure that everybody’s

The Importance of Respect

The ability to earn or receive respect factors into every dynamic that contributes to employee satisfaction among Hispanics. In cultivating relationships with Hispanic employees, the McDonald’s corporation and owner/operators should be keenly aware that:

- Respect from managers helps counteract disrespect from customers.
- Improving the image of what it means to be a fast food employee would help attract more job candidates.
- Keeping dress codes attractive helps employees—especially the younger ones—feel good about themselves.
- Providing regular reviews, pay increases and incentives shows Hispanic employees that their performance is recognized.
- Delivering on promises shows crewmembers that management values them.
- Promoting bilingualism shows a desire to communicate.
- Encouraging professional development demonstrates a commitment to the employees’ personal development.
- Recognizing the importance of family to Hispanic employees shows that management values what their employees value.

What Are the Reasons That McDonald's Loses Its Best Employees?

■ Lack of Prestige

There is a public perception that McDonald's jobs represent poor professional opportunities and low performance expectations.

■ Low Wages

Crew positions do not offer high enough wages, especially to support a family. According to the respondents, this is a bigger issue for men than for women, possibly due to the role of men as primary providers.

■ Infrequent Evaluations and Raises

Evaluations and small raises are not provided on a regular basis.

■ A Hostile Environment

Bad attitudes and offensive language from customers and fellow employees can make the working environment unpleasant.

■ Inadequate Benefits

The lack of health insurance and paid vacation time is a drawback to McDonald's crewmembers. This is a greater issue for men than for women.

■ Scheduling

Demanding work schedules conflict with family time, as well as time for professional development classes and higher education.

happy, and that everything is getting done. Sometimes I feel like I don't get noticed and sometimes I do, but I know what I'm doing." Another said, "I feel like I'm a hard worker. Sometimes there are days where I really feel like I go the extra mile, but my bosses don't see it. Sometimes I'm just not being rewarded for all the stuff that I'm doing. I give a lot of free time to my work, and sometimes they just don't appreciate it. I think that they feel like that's just part of the job."

Wages and Benefits

All employees and lower-level managers felt that salary was important, but it was by no means the most important factor for any respondent. All respondents agreed that McDonald's could be more successful at recruiting and retaining quality employees if it provided them with affordable medical insurance.

Employees felt that in lieu of increased wages and benefits, improving consistency in respect and recognition would go a long way in retaining quality employees.

REASONS FOR LOSING BEST EMPLOYEES

A Lack of Prestige

Several respondents expressed their frustration with the general perception that working in the fast food industry lacks prestige or is undesirable, and all employees agreed that there is a general public perception that working at a fast food restaurant represents poor professional opportunities and low personal expectations.

McDonald's may suffer disproportionately from this perception, as it is the oldest and largest player in the QSR industry, and often sees its name used interchangeably as a symbol of the entire QSR establishment. Many respondents felt that McDonald's suffers from negative public perception more than jobs at similar restaurants with similar pay. One respondent suggested that this was due to negative portrayals in the media, by comedians, and, most recently, in the documentary *Supersize Me*.

Some respondents, however, felt that this viewpoint is less widespread within the Hispanic community. One respondent explained, "I think that in the Latino community, we don't look negatively at McDonald's. We look at it from a different point of view, like it's a normal place to work." The participant pointed out that, as immigrants, they were the kind of people who knew the value of a job. Others elaborated, "McDonald's opens doors; you learn [valuable skills], " and "People think [my job] is at the bottom; I don't care."

Respondents unanimously recommended an advertising campaign to change the negative perception American society holds towards fast food jobs.

Low Wages

According to respondents, low pay is another leading reason for leaving McDonald's; however, for the good employees who stay, raises tend to serve more as an important feedback mechanism. Quality employees tend to stay on the expectation of moving up to a higher paid position. One manager said that all of her employees have stayed because they like what they do and they receive regular evaluations, stating, "Every six months we talk with them about the

things that they do and the things that they need to work on, and we give them a raise.”

Infrequent Evaluations and Wages

One respondent clarified that management should view evaluations as a way to show respect and appreciation for an employee’s efforts, saying, “You’re supposed to get an evaluation every six months, which is an open door for a raise.” This respondent further stated that overdue evaluations can be frustrating and are a problem for several co-workers, “[The raise] may not be a lot, but it’s still something, whether it’s \$.10, \$.75, or \$2, it’s something.”

“A manager told me the reason crewmembers don’t get paid vacations and managers do, is because they don’t consider a crew position to be a real job, but that managers can consider their positions to be a real job.”

—Employee

The regularity with which evaluations are given varies from restaurant to restaurant, and one operator acknowledged that it is not uncommon to lose good employees because management reacts too slowly in providing timely evaluations, raises, and management opportunities.

A Hostile Environment

Poor treatment by customers emerged as the most common frustration among employees. One employee said, “What I like most about McDonald’s is that you get to know a lot of people, but what I don’t like is that sometimes the customers, they disrespect you really bad. You approach them in a nice way; you don’t know if they’re mad and you try to make it easier for them and you get a bad answer or attitude. We have to deal with it; it’s our job.”

“Sometimes you get people who are so disrespectful and so rude, no matter how hard you try to stay calm and respectful and see that they get what they want, they’re rude. That’s one of my biggest pet peeves, whether it’s at school or work, I don’t like being disrespected.”

—Employee

Many comments indicated that the working environment in some restaurants can be challenging, especially for crew-level employees: co-workers often use foul language, evaluations are not arranged on a timely basis, and more value is placed on management-level positions than crew level positions, any of which can have an effect on the turnover rate for quality employees. One respondent said, “I feel that sometimes, whether by other employees or customers, we, as Latinos, are put into a lower class. In my store, this happens mainly from customers.”

A few respondents felt strongly that dealing with internal conflicts between fellow employees was a challenge, especially because they had to work together on a day-to-day basis. The younger managers also noted that they had to be careful not to appear to be taking sides when crewmembers argued.

Inadequate Benefits

Benefits are a more important issue than salary among employees, most of whom do not have them, and this is one area in which many felt the fast food industry could improve. Providing health care benefits was considered to be a very important issue across all respondent categories. One owner/operator said, “The corporation needs to step up and help create a medical and dental insurance program...that won’t put [employers] out of business. This will help us recruit and retain better employees.” Some employees would gladly forego other perks such as paid vacations for an affordable health plan. One crew-level employee said, “They offer us health benefits, but I say it’s ridiculous, the prices are too expensive; everybody’s working minimum-wage.”

Scheduling

Difficult hourly scheduling requirements were a large concern among managers. One respondent explained, “I know that I can make it as a store manager, because I have what it takes. But I would like to have a backup [plan]. I want to go to college and get an education just in case. When I became a second assistant manager, they made me sign an agreement that I had to be flexible regarding hours. So, now I can’t go back to school. They haven’t told me you can’t go back to school, but I know what they mean. You have to be willing to work any hours, from five in the morning until three or four in the morning.”

The relatively large number of hard-working employees who hold more than one full-time job was also discussed. One owner/operator felt that his best employees usually held multiple jobs, and that having a certain proportion

of employees who were extremely self-motivated was beneficial to the work environment. Many managers cautioned, however, that by the time those multi-job employees began their second shift, they no longer had the energy or desire to work as hard as they might otherwise.

Employees also noted that closing shifts were problematic, especially for women, partly due to safety concerns—especially in restaurants located in high-crime neighborhoods or with a large homeless population—but also because the closing shifts cut into personal evening hours.

RECOMMENDATIONS

What Can McDonald’s Do to Attract Valuable Hispanic Employees?

Improve the Image of a What It Means to Be a Fast Food Employee

While a service job in the fast food industry is prestigious in many Latin American countries, Hispanic immigrants may be surprised to learn that American society tends to view service jobs as disposable or simple, and requiring few skills.

Realizing this obstacle and developing a national campaign to promote the image of the QSR industry as a place where employees are valued, challenged, and rewarded could have a dramatic impact on the numbers of quality Hispanic employees who apply and continue to work for McDonald’s.

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Keep Dress Codes Attractive and Current

Some of McDonald’s best Hispanic employees are teenagers—these are the employees who are more often bilingual, and appreciative of the restaurant’s flexible scheduling options and professional development opportunities. Yet a number of these valuable younger employees expressed their disdain for their uniforms and the dress codes. One manager stated, “We’re stuck in the past—with earrings, hair, etc. We’ve got to move

on with our appearance policy, like other franchises. We may lose great people.” One owner/operator elaborated, “Very few teenagers are working in our area due to strict standards with the uniform and dress code...This is the reason teenagers don’t stay around.”

Examining employee dress codes and uniforms on a regular basis, and working to keep up with youthful standards of hipness, may help attract and retain teen Hispanic employees.

What Can McDonald’s Owner/Operators Do to Recruit and Retain Valuable Hispanic Employees?

Cultivate a Culture of Respect

Many in the Latino culture place a high value on interpersonal relations and respectfulness, and regular displays of appreciation from employers can have a strong and positive impact on Hispanic employees and managers. Some foreign-born Hispanic employees stated that their career at McDonald’s was a place to earn esteem: as recent and usually poor immigrants, they receive little regard elsewhere in American society. By creating a working environment where respect is emphasized, franchise operators can help Hispanic employees stay motivated and performing at a high level.

This emphasis on respect can also have a tremendous impact on day-to-day customer service: whether due to cultural habits or a sense of duty, Hispanic McDonald’s employees in the study stated that they always try to treat a customer well, regardless of how that customer treats them. In light of the fact that study respondents described regular rude treatment by customers, internal respect from franchises and managers was portrayed as key to employee satisfaction and happiness.

Operators should be aware of the perils of ignoring the importance that Hispanic employees place on respect.

Study participants also cautioned that operators should be aware of the perils of ignoring the importance that Hispanic employees place on respect. Creating a work environment that is indifferent to respect can have a negative reflection on the restaurant.

Provide Regular Reviews, Pay Increases and Incentives

Regular feedback—informally and formally—on employee performance is important to employees, especially since compensation is generally low. Respondents insisted

that telling an employee that their excellent performance is noticed can go a long way towards increasing job satisfaction.

Formal reviews and timely raises (even if small) are equally important, as the Hispanic employees in the study made it clear that they wanted to gauge their professional growth. This was important for all Hispanics in the study, whether U.S.-born or foreign-born.

Finally, Hispanic employees indicated that they are very responsive to crew incentives, however small. The employees described their interest in the Dijon Dollars incentives program, where points awarded for doing a good job are traded in for various prizes. Not only do such incentives provide feedback on job performance, but they build restaurant morale.

Deliver What Is Promised

Hispanic employees indicated that they are keenly aware of operators' promises for incentives and rewards, and that operators should be aware of their duty to deliver whatever may be promised to their employees. This was noted as especially important: Hispanic employees generally perceive that employers tend to take advantage of their hard work ethic, dependability, and loyalty.

“If my manager tells me I’m supposed to get an evaluation, they need to follow through. It’s a matter of respect, and I don’t like being disrespected.”

—Employee

Moreover, as one employee pointed out, following through on promises to an employee is a matter of respect. “I come in and work hard every day. If my manager tells me I’m supposed to get an evaluation, they need to follow through. It’s a matter of respect, and I don’t like being disrespected.”

Owner/operators and managers should be particularly mindful when promises are made to employees.

Encourage/Nurture Professional and Personal Development

For many Hispanic employees, professional development at McDonald’s was closely tied to their sense of personal development; the two were inseparable. For many foreign-born Hispanic employees, a job at McDonald’s is the first step to creating a new life in the United States, and it is a significant personal—as well as professional—milestone.

“We get a lot of Hispanic workers that [have a] really hard time getting a job, and McDonald’s takes them and works with them. All of our foreign [-born] workers are really hard-working, and they are eager to learn because they want to be something.”

—Employee

Both U.S.-born and foreign-born Hispanics stated that they find McDonald’s employment appealing because they can receive vital professional development skills in an environment that is both supportive and comfortable, and there are opportunities to rise quickly to better jobs in the restaurant. Likewise, many Hispanic teenagers

What are the Three Most Important Factors in Hispanic Employee Satisfaction?

■ Respect

Respect from management and co-workers, especially when respect may not be forthcoming from customers, was key to employee satisfaction.

■ Recognition

Communication and feedback from management regarding how well an employee is doing their job, and providing possibilities for promotions and raises.

■ Wages and Benefits

Respondents would like higher wages, although this was a greater factor for men, who admitted that since the pay is low they focus on other factors to stay satisfied. Employees generally felt that McDonald’s could be more successful at recruiting and retaining quality employees if it provided them medical insurance.

see McDonald's as an opportunity to gain some professional experience before they graduate, and they enjoy the responsibility that comes from professional advancement. One respondent said, "Employees need to understand that this is not a minimum-wage job. I often tell employees, 'I started like you. He (referring to a higher level employee) started like you.' If you give examples like that, they look at McDonald's in a whole different way."

Because Hispanic employees often tie their restaurant work to personal growth, professional development opportunities are welcomed and well-received. Similarly, owner/operators who can help their Hispanic employees have a clear understanding of their professional goals are likely to see their employees rise to meet those targets.

As owner/operators encourage professional development opportunities, however, they need to be mindful of the scheduling challenges that crewmembers and managers contend with. All respondents knew about the availability of ESL and food handling classes, and were interested in attending them, but some respondents said their erratic work schedules prohibited them from taking advantage of these professional—and personal—growth opportunities.

Encourage Bilingualism

Bilingual employees, even if abilities in the second language are limited, are valuable assets to McDonald's. They allow both English-speaking and non-English-speaking customers to communicate freely with employees, and enhance the customers' feelings of appreciation and comfort.

Likewise, in the work environment, bilingual managers can more effectively communicate with their Spanish-speaking crew members, similarly enhancing their employees' feelings of appreciation and comfort.

Many McDonald's employees indicated that bilingualism was a professional asset to them as well, providing the opportunity to move up in the hierarchy of desired crew positions at the drive-thru window and counter, as well as to management positions.

Hispanic employees in the study said that they did not expect to be provided with ESL instruction, but that they appreciated it. McDonald's owner/operators who therefore give their Hispanic employees the language skills they need to become excellent employees will be appreciated, and benefit both the customer and the employee.

Recognize Importance of Family to Employees

Many respondents described their satisfaction with the McDonald's family-like employee atmosphere, and indicated that the familial atmosphere cultivates a sense of loyalty and satisfaction among all employees—even those who remain at McDonald's for long periods of time with little job advancement.

McDonald's operators can therefore serve their employees by encouraging a sense of family at their restaurants, filling the gap of the large familiar infrastructure likely left behind in Latin America, while simultaneously encouraging loyalty and commitment in the workplace.

Recognize the Unique Role of Hispanic Women in the McDonald's Workplace

According to the respondents, Hispanic female employees offer an advantage to McDonald's because they tend to keep their jobs longer, especially at the managerial level. Men and women articulated the need for feedback and respect, but for Hispanic women, in particular, a feeling of professional importance and accomplishment was especially significant. One respondent explained, "I felt more valued at McDonald's. I was able to set goals and achieve them. I have gotten far, and it's because I'm capable. This makes me feel good."

"At McDonald's I feel important; we have an opportunity."

—Female Employee

It was also expressed that, contrary to some stereotypes, Hispanic women make especially strong McDonald's employees because they are able to work in a stressful and demanding environment while simultaneously dealing with the clientele in a positive manner. Their employment needs also are well-suited to McDonald's: one respondent pointed out that Hispanic men tend to be the primary breadwinners in the family and therefore cannot afford to maintain a low-paying job at McDonald's, whereas women with children need flexible schedules, and their wages will often supplement their husbands'.

Owner/operators observed that resentment from Hispanic males, including from husbands and boyfriends, is a significant obstacle for women in management positions or women hoping to move into management. Respondents felt that married women

faced increased pressure from home as their work schedules became more demanding. This especially became an issue for married women who wanted to become assistant managers, as assistant managers are on call at all times.

“From the beginning, the person doing the hiring determines what shifts [women] can work so it won’t be an issue. We talk to them so they can talk to their husband or boyfriend, and decide if they really want to [become a manager].”

—Manager

Many respondents acknowledged that, due to cultural differences, there can also be tensions between Hispanic male employees and female managers, although this was a greater concern for operators than for managers and crewmembers. The extent of the problem also varied among restaurants. Many agreed that some male employees would rather quit than work under a woman. One employee commented, “I think guys don’t want to deal with women; a couple of guys have quit [for this reason.]” A female manager described an incident when she asked a male employee to clean up a Sprite spill. After cleaning it, she said, “He stared at me for a short time and said, ‘I cleaned it up, but just so that [the customer] wouldn’t fall.’” This respondent stated that a lot of men she had supervised do not like taking orders from a woman, or performing traditional women’s work such as mopping.

Hispanic female employees make excellent long-term employees, but resentment from Hispanic males can be a significant obstacle to their professional (and personal) development. Operators can take measures to ease difficult situations for their female employees. As one operator explained, at his restaurants, they make efforts to involve their employees’ families—particularly husbands—in training activities, reward ceremonies, and other activities.

CONCLUSION

Restaurant owner/operators, managers and crew agreed that Hispanic employees are a particularly valuable asset to the McDonald’s corporation. They flatly stated that Hispanic employees have a better work ethic, working harder and with more initiative than other McDonald’s employees, with a commitment to customer service that is unparalleled.

The best McDonald’s Hispanic crewmembers are more likely to be adult foreign-born women who are reasonably bilingual, dependable, outgoing and motivated.

Low job prestige, low wages, a lack of benefits, and demanding work schedules are the biggest challenges to recruiting and retaining outstanding Hispanic employees.

The study participants emphasized the exceptional importance of respect among Hispanic employees—the ability to earn or receive

According to the Focus Groups, What Are the Differences Between Hispanic and Non-Hispanic Employees?

- Hispanic employees, regardless of nativity, demonstrate a strong work ethic, often undertaking menial or undesirable tasks that others are unwilling or reluctant to perform.
- Hispanic employees tend to value a job at McDonald’s more than other employees.
- Hispanic employees tend to come from lower socioeconomic backgrounds—they are more likely to have lower levels of education, be unskilled, and have a strong incentive to earn wages wherever they can. This was even more true for foreign-born Hispanics.
- Hispanic women are more apt to require flexible schedules due to family responsibilities and/or spousal expectations to cook dinner and care for children.
- Some Hispanic men have cultural issues that directly affect the workplace. For example, some men are resistant to taking orders from women.

According to the Focus Groups, What Are the Differences Between U.S.-born and Foreign-born Hispanics?

- Foreign-born Hispanics may be more willing than U.S.-born Hispanics to perform menial and undesirable tasks.
- Foreign-born Hispanic employees tend to value a McDonald’s job even more highly than any other group, including U.S.-born Hispanics.

respect permeates everything related to the McDonald's workplace, and contributes to Hispanic employee satisfaction. The McDonald's corporation would therefore be well-served to invest some resources in improving the American perception of a McDonald's employee. McDonald's would also benefit by promoting their restaurants as a terrific employment opportunity for immigrants—a place where immigrants can gain their first U.S. work experience and receive ESL training; a place where they can receive value that extends beyond their paychecks.

McDonald's owner/operators can cultivate their relationship with outstanding Hispanic employees by demonstrating respect to an extent that may differ from non-Hispanic employees. Creating a family-like environment in the restaurant, encouraging ESL acquisition, and delivering what is promised in the form of crew incentives, raises, and reviews is particularly important to McDonald's Hispanic employees.

Special consideration should be given to scheduling demands, as well as to the needs of Hispanic female employees, acknowledging the demands that their fellow male employees and families may place on them.

Owner/operators who are responsive to the expectations of their Hispanic employees can expect to develop mutually-beneficial relationships, resulting in life-long customer patronage and favorable regard for the McDonald's brand from the employees and their communities.

APPENDIX

Study Methodology

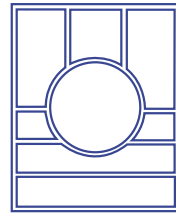
Employees were recruited using a screening guide designed to target employees based on the following criteria: employment position within the McDonald's restaurant; nativity (born in the U.S. or foreign-born); country of origin (or country of the parents' origin if the employee was born in the U.S.); gender; preferred language; age range; and length of time as a McDonald's restaurant employee.

A majority (66%) of employee respondents were Mexican or of Mexican descent, with the balance being Central American.

A total of 29 respondents were interviewed via focus groups or one-on-one interviews. Of the 15 respondents who participated in the two employee focus groups, 10 were women and five were men. Two were crewmembers and 13 were managers at different levels.

The operators' focus group was conducted in English. Both employee focus groups were conducted primarily in English, with some Spanish as needed.

Given the small number of potential employees from which TRPI was able to recruit, TRPI was unable to conduct a focus group with crewmembers alone. However, the one-on-one interviews served to confirm the accuracy of comments heard in the focus groups, and to elicit further data regarding particular points.



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