McDonald’s Hamburger University: A Case Study

**Context**

 It is no secret that in order for companies and organizations to be successful, they must invest in the education and development of their most valued asset, their people. McDonald’s has done just that in opening Hamburger University. Since its founding in 1961, McDonald’s Hamburger University has grown from an annual class of 15 students to a graduating class of 5,000 (McDonald’s, 2010). As the premier company to develop a global training program, McDonald’s has invested well over $40 million dollars into their Hamburger University. Starting in the basement of a McDonald’s located in Elk Grove, Illinois; Hamburger University has grown to include a 130,000 square foot facility located on an 80-acre campus in Oak Brook, Illinois (McDonald’s, 2010). Along with this picturesque campus, McDonald’s Hamburger University also consists of 22 regional training centers, as well as seven other global campuses located in Sydney, Munich, London, Tokyo, Brazil, and Beijing (Galagan, 2011). With an acceptance rate of less than one percent, Hamburger University has become harder to get into than Harvard (Weinner-Bronner, 2011). Students are seeking out the opportunity to attend Hamburger University to take advantage of the classroom instruction that is paired with hands-on training, goal-based scenarios, and e-learning modules.

**Who is HU?**

Hamburger University is a business development school that has provided high quality education to over 80,000 owners, managers, and suppliers since its inception. (www.aboutmcdonalds.com). The purpose of the school is to teach business and social skills to managers. The classes are similar to business school classes in that they focus on operations, service, quality, sales, growth and more. The curriculum offers career paths for restaurant managers and mid-management, as well as executive development. HU has always had support from top management and down, starting with McDonald’s founder Ray Croc (Meister, 2011)

HU employs a blended learning technique of self-study, e-learning and classroom training. The 19 full-time trainers follow a Constructivist approach using “a combination of classroom instruction, hands-on lab activities, goal-based scenarios and computer e-learning modules” (www.aboutmcdonalds.com). Managers are trained in mock scenario settings, giving them real-world experience in a controlled environment. Student collaboration is supported through such facilities as a cyber café.

**Resources**

McDonald’s Corporation provides $1 billion in annual training for employees and students attending Hamburger University (Tegan, 2007). Hamburger University (HU) employs 64 full-time global instructors that teach in 28 different languages, including its 19 at the main campus in Oak Brook, Illinois (Hary, 2011).

HU has a partnership with the American Council on Education (ACE) to assist students with applying HU course credits toward college degree programs (Galagan, 2011). HU is currently the only restaurant that gives college credits, collaborating with 15 universities in the United States, connecting HU students with local and national colleges through their College Credit Connection website (Galagan, 2011). McDonald’s is also one of only 11 Fortune 500 companies to participate in ACE, making them a leader in corporate education (Galagan, 2011).

HU utilizes several blended learning technologies in order to meet the needs of learners. The Oakland, Illinois plant recently upgraded its audiovisual equipment and installed a cyber café (Galagan, 2011). HU has eight virtual classrooms. With a focus on designing better physical class spaces that enhance learning through increased interactions, HU works closely with Steelcase University, a company that studies how people work in different settings (Galagan, 2011). Classrooms are designed to promote collaboration and interaction using laptops, monitors and whiteboards, unlike the auditorium-style classrooms used by the University almost 20 years ago (Kalman, 2012).

**Learners**

McDonald’s learners consist of a diverse group of individuals that come from all over the world. They are strong individuals that are trustworthy with a positive attitude. These learners are clean and neat in appearance with a respectful tone. The learners are customer service oriented and nurturing individuals. They are also honest and caring individuals who are energized to learn all the aspects of McDonald’s restaurant business.

As learners they have needs that have to be met which helps them to be successful as a learner and employee. They require leadership that will lead them into being able to work in a diverse workplace and engage with others from various backgrounds. The learners need to be supported by management and each other in order for them to make it through their training and as an employee. Lastly, they need guidance to assist with building their career as an employee at McDonald’s and become part of the management team. With these needs being met they will be able to climb up the ladder and could possibly become an owner of a multi-million dollar McDonald’s restaurant

**Learning Outcomes**

As a McDonald’s new employee you are required to attend their Hamburg University. Attending various training for all positions the learners will be provided with a foundation that will give them leadership skills regardless what position they are hired for within the organization. Going through career development phase will contribute to their growth, learning, and competency building which will allow the employee to move from position to position. After completing their career development course, the leaner will be able to focus on their development, which includes management objectives and receiving personal career satisfaction with growth.

Learners that are interested in the management path participate in training that helps them learn about how to manage a multi-million dollar restaurant. These learners will build on their leadership and consulting skills in order to effectively operate a restaurant. At this learning level, they will be able to consult and coach entry-level managers. Then, management may continue on an owner’s track where their leadership skills are reinforced and built upon in order to support other managers, employees, and sales expansion.

**Challenges**

McDonalds has broken records with one of the oldest corporate universities in the world.  However, that does not mean that there were no challenges and obstacles for HU to overcome.  One such challenge for training institutions such as HU is globalization.  With locations in 118 countries, McDonald’s must develop the reach to educate and train talent from various locations.  Not only do geographic locations place physical barriers in the way of training, but cultural differences, language barriers pose a threat to the success of the institution as well.  The facilitators must be able to accommodate the needs of the learners and understand the global markets that they will be serving.  It is for this reason that satellite campuses have been built to help accommodate its 5,000 graduates each year.  A customer-centered focus is adopted by the University to ensure learner satisfaction.  Learner satisfaction is a key challenge that many training institutions struggle through often due to reductions in training budgets, lack of accreditation, and facilitator incompetency.  Hamburger University has been fortunate enough to be able to address many of these issues to continue to educate and develop its talent.  As Ray Kroc, founder of McDonald’s once stated, “If we are going to go anywhere, we’ve got to have talent.  And, I’m going to put my money in talent” (Meister, 2001, pg 48).

**Opportunities**

In the case of McDonald’s University, the students do not require recruitment in the traditional sense. The university is not open to outside enrollments; rather, all students come though the parent corporation and are generally owners and upper management employees of franchises.  Additionally, McDonalds does not currently engage in much virtual education, preferring the face-to-face interaction that they offer at their Oak Brook, Il. facility, as well as their 6 global and 22 regional campuses (Meister, 2011.) However, the university has developed a suite of 19 e-learning modules for lower-level employees and as pre-learning for future MU candidates. Besides basic customer service skills, these modules offer mid-level managers instruction on leadership skills and development. Modules aimed at these mid-level employees address leadership development and functional skills specific to job roles (Weinstein, 2008). While Hamburger University has embraced technology in the forms of blended learning, combining e-learning with on-the-job training, coaching and performance reviews (Propokeap, 2011), it is safe to assume that because of the customer-service orientation of the business in general, the company likely has no plan to take the university entirely virtual at any time in the near future.

**Conclusion**

 Hamburger University has set the precedent for other corporate universities, leading the way in quality education. As a large international company with physical campuses located in several companies, the company has found a way to reach its diverse group of employees. Millions of dollars are invested into the company’s leaders and future leaders, which is one of the reasons why McDonald’s has proven to be a successful and longstanding institution that people around the world have grown up loving.

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