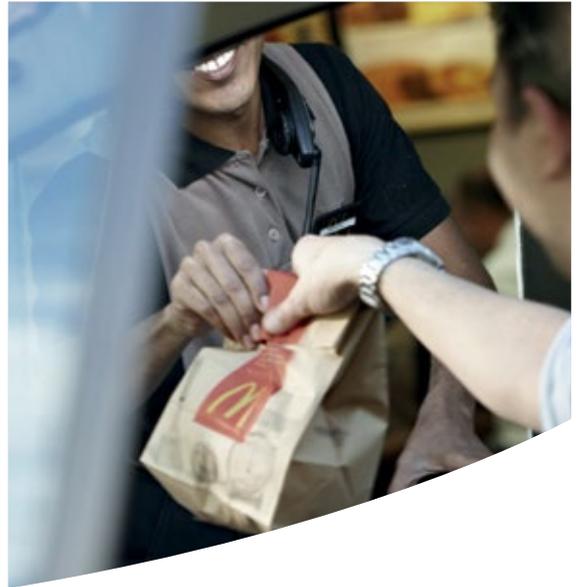


## SUCCESS STORY

# MCDONALD'S

Delivering a streamlined  
Payroll solution



Providing a managed support service that evolves with the client.

### About McDonald's

Since the first restaurant was opened in 1955 in the United States, McDonald's has grown to become a household name, with a total of 32,400 restaurants worldwide serving over 46 million customers every day.

In the UK alone the company now has 1,200 restaurants which employ more than 85,000 staff. With increased Franchisee ownership in recent years, over 48,000 of them are now employed by one of the 734 Franchised restaurants.

### Background

Sopra Steria has been working with and supporting McDonald's Payroll system since 1997.

Providing development and support services Sopra Steria has been able to successfully reduce administration time for the payroll department while allowing McDonald's MIS team to focus on other key areas within their remit.

With thousands of salaried staff being paid twice a month and hourly staff paid fortnightly, the payroll department faced a time-consuming task taking four days to process the payroll every fortnight.

Crucial to the project was working closely with all those involved to identify key objectives and requirements. Taking this on board, and by using iSeries Support, Sopra Steria successfully identified and implemented enhancements which reduced processing time by 50%. This was a significant saving for the department, providing a more time-efficient and cost-effective service.

For the solution to fully benefit McDonald's in the long-term, it was vital that the system be capable of growing with McDonald's evolving business model while continuing to meet key objectives. This has been tried and tested through the decision to offer a bureau payroll service to Franchisees.

### Change / growth

Over the years and with a strong push by McDonald's, the percentage of Franchise owned restaurants has steadily increased. This franchising strategy helps McDonald's reduce its outgoing fixed costs but must continue to provide a quality and consistent service. Having the ability to offer a payroll bureau service is a fundamental step towards supporting this strategy.

With one central payroll provider, franchisees no longer have to source and select their own payroll service externally therefore benefiting from reduced rates as well as administration time.

Supported by Sopra Steria, this additional value-add service is more cost-effective for McDonald's, provides better service for existing franchisees and is more attractive to potential franchisees.

By offering this service the system's capabilities needed to be increased to allow unlimited Payrolls to be run on a flexible schedule. The solutions needed to be cost effective within two years in order to ensure internal overheads did not increase.

## Solution

McDonald's engaged Sopra Steria to extend and customise the existing Payroll solution to enable bureau services to be offered to Franchisees.

Sopra Steria was able to use its existing detailed knowledge of the business, working practices and people to define and implement this value-add service within a fixed budget. Working to set time-scales it was important that both Sopra Steria and the McDonald's team worked as one, therefore the project was conducted involving close collaboration with the business and IT teams.

The solution provided, allows McDonald's to run unlimited Payrolls, effectively allowing them to offer a bureau service. Currently 43 franchisee groups utilise this service, managing the payroll for over 17,000 employees. In addition, with support from Sopra Steria, McDonald's offers business support tailored to Franchisees' individual requirements.

Sopra Steria now provides a managed support service working both onsite and offsite. This service model offers the most cost-effective service approach maximising team resources, whilst delivering a quality service to the client that meets its key goals.

Thanks to the improved and streamlined payroll system this increased work load has had minimum impact on the payroll department. With the team increasing by just one since implementation, the department continues to save substantially on staff costs.

## Key benefits

McDonald's now receives a quality service, clearly defined in a service level agreement, which offers a number of significant benefits, including:

- A quantifiable value-for-money service.
- Significant system and process enhancements saving the payroll department five days each month.
- Improved service for its franchisees through the introduction of a bureau service.
- Minimal impact on the payroll department despite the increase in workload created by the bureau service. McDonald's Payroll team are responsible for 4,000 - 5,000 employees each, significantly more than some comparable organisations.
- The ability for the MIS team to focus on core business areas whilst delivering more benefits to the business.

## Future developments

Having successfully enhanced and supported McDonald's Payroll solution since 1997, Sopra Steria has increased the scope of activity and undertaken support and development services for a number of other applications within the McDonald's portfolio.

Continuous Service Improvement activities of existing supported applications ensure support services continue to be improved and streamlined, offering a value for money solution.

“ Sopra Steria provide a valuable extension to our IT function and are an integral part of the high quality service we provide; helping to deliver key projects and support business critical services. The service Sopra Steria provide continues to evolve in line with our strategic plans, demonstrating a good understanding of our company, the high standards we uphold and our vision for the future. ”

Paul Lawrence  
Business Solutions  
Manager  
McDonald's Restaurants

“ It was clear from the outset that the McDonald's team had a strong picture of what they required and we worked closely with them to ensure that their needs were met. We spent time gaining an understanding of their business and technical requirements and worked as a unit to help develop a workable solution. ”

Divisional Manager  
Sopra Steria



Sopra Steria, European leader in digital transformation, provides one of the most comprehensive portfolios of end to end service offerings in the market: Consulting, Systems Integration, Software Development and Business Process Services. Sopra Steria is trusted by leading private and public organisations to deliver successful transformation programmes that address their most complex and critical business challenges.

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