

Lessons Earned Podcast

Strada Education Network

S. 1, E. 3 Lisa Schumacher, McDonald's Corp.

TRANSCRIPT

Ben Wildavsky [00:00:01] From Strada Education Network, this is *Lessons Earned*. I'm Ben Wildavsky.

[00:00:08] In this podcast, we're speaking with system challengers, education leaders, entrepreneurs, authors, policy thinkers, people who are challenging the status quo and trying to improve education and career outcomes for students of all ages.

[00:00:25] Today, the director of educational strategy for McDonald's, Lisa Schumacher.

[Lisa Schumacher audio clip](#)

[00:00:29] We know that people working in McDonald's restaurants aren't all ready to go to college. Some of them aren't going to go to college. So we wanted to create something again that really meets them at their point of need.

Ben Wildavsky[00:00:41] Welcome to *Lessons Earned: Putting education to work*.

Ben Wildavsky [00:00:52] Today, we're on the line with the director of educational strategy at McDonald's, Lisa Schumacher. Lisa has been running a range of education programs at McDonald's since 2015, helping frontline employees do everything from learn English to graduate from college. We're going to talk about the nitty gritty of what McDonald's is doing and why. But we also want to get Lisa's thoughts on this kind of program more generally. What should the role of employers be in their employees' education? Everyone from Wal-Mart and Taco Bell to Starbucks and Amazon has introduced employee education programs in the last few years. So Lisa is on the front lines of an important new approach to workforce development. Let's get going.

[00:01:39] Lisa, welcome to *Lessons Earned*.

Lisa Schumacher [00:01:41] Thanks, Ben. Happy to be here.

Ben Wildavsky [00:01:43] Everybody knows I think that McDonald's is a huge employer. And, you know, McDonald's and others often cite the very large number of Americans who got their first job, McDonald's. And I'm just curious about your first job. What was that?

Lisa Schumacher [00:01:56] My first job was in the quick service restaurant industry, but it was not at McDonald's. It was actually at Wendy's. I worked the drive-through and made hamburgers and worked the front counter and clean bathrooms and did all those things that a lot of folks and first jobs do.

Ben Wildavsky How old were you then?

Lisa Schumacher

I was 15.

Ben Wildavsky [00:02:17] When you think back to, you know, some of those skills you mentioned, working the drive through, making hamburgers, what do you think you learned from that experience?

Lisa Schumacher [00:02:26] I learned to show up for work on time. I learned to take direction from my managers. I learned to be resourceful. I learned to get along with my co-workers who were not people that I knew and came from all different walks of life. I learned customer service skills, how to deal with some of those customers that maybe weren't so happy if we didn't get their order exactly right.

[00:02:48] There's, you know, a number of skills that I learned, and really without knowing what I was learning. Right? I don't know if I could have named them at the time, but I was certainly learning those skills are many of those skills that have carried me through to my career today.

Ben Wildavsky [00:03:04] Sure. Well, those are very core work skills. I wonder if you could just give us a quick sort of sketch of your career path since then. I'm wondering in particular how you got interested in education and especially education for working adults.

Lisa Schumacher [00:03:21] Yeah, absolutely. So I started my career at the University of Chicago and I started working a work-study job. And then when I graduated, I never left University Chicago hospitals and stayed for 20 years. And in that time, I moved from being a safety trainer into our learning and development function, which we called the Academy. And in a lot of that work was what I would call traditional learning and development. But at the same time, we were looking at a nursing shortage, for example. And so we started creating programs where we would bring colleges and universities onsite and talk to employees in more frontline positions about navigating their career within healthcare. So maybe we would talk to an environmental service worker or a food service worker and talk to them about the classes and the skills they needed to move up in the organization. And maybe some of them said, "I've always wanted to be a nurse, but I didn't know how to do that." And we gave them the opportunity to do that. And in some cases, we paid them for their time.

Ben Wildavsky [00:04:22] Sure. I'm sorry to interrupt. I want to be sure I just get this. This would be what an environmental services worker would be a custodian. But what you're saying is you would try to give them some sense of how they could take some classes, get some training and move up in their career. And can you just tell me the kind of thing that they might be able to do?

Lisa Schumacher [00:04:39] Yeah, absolutely. So it was all tied to what were the critical skill positions that we needed in the medical center. So, for example, if we were building a new building and knew that the radiology department was going to significantly increase, we would need more radiology techs. So we would talk to some of those entry- and mid-level workers about what it means to be a radiology tech and what's the education they need to pursue that kind of degree. And then we would bring the education to them. They could become clinic coordinators or they could become billers and coders, for example. And many of them went on to become nurses.

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Ben Wildavsky [00:05:21] Now, you're director of educational strategy at McDonald's Corporation. And, you know, there are certainly people who might kind of wonder, well, why does McDonald's need an education strategy at all? You know, tell us about how that happened. Like, how did you get involved in educating your employees?

Lisa Schumacher [00:05:38] Yeah. Great question. So before I started at McDonald's, and I've been there for just about six years now, we had a program called English Under the Arches, which we still have. It was started by somebody in the Learning and Development Department really looking at what customers in the restaurants were saying and some of the challenges that they were having around communicating with some of some restaurant employees. And that was the impetus behind English under the Arches. What we discovered was not only was that program decreasing customer language complaints, but it also was having a big impact on our recruitment efforts and our retention efforts. And so when I came into McDonald's, the direction I got was, you know, what more can we do in this space? And so we set about, you know, talking to people in our restaurants and better understanding what their goals were, what their needs were, what their dreams were, and importantly, what their barriers were to pursuing their education. And we put together what we now call our Archways to Opportunity.

Ben Wildavsky [00:06:47] Well, let's talk a little more about those barriers. Can you tell us about the kind of macro-level challenges you were seeing when you first started at McDonald's?

Lisa Schumacher [00:06:54] When I think about people in our restaurants, I am interested in speaking to them. They have hopes and dreams just like the rest of us do. The challenge is that many of them have barriers to doing that. And so, you know, let's take non-native English speakers as an example, you know, where do I go to learn

English? How do I better my speaking skills? Do I have the time in my day to go to a class to better my speaking skills? I've always wanted to go to college. I can't afford it. I don't have the time. I don't think I'm smart enough. Right? All of those things that can impede people pursuing their education.

Ben Wildavsky [00:07:34] How about the wins? Are there any success stories that stick out to you from those programs?

Lisa Schumacher [00:07:40] We have lots and lots of success stories. We now have examples because we've been at this long enough where we've had people who have gone through English Under the Arches and then completed the high school program and then enroll in college, which is just really amazing to see. We've also seen them move up within their organization. So are one of our very first high school program graduates, Jenny Escobar is her name.

[Audio clip: Jenny Escobar \(speaking in Spanish\)](#)

Hi, my name is Jenny. I've been working at McDonald's for 20 years; I started when I was 16 years old.

Lisa Schumacher [00:08:05] She is now the general manager of her restaurant which is in the Florida area.

[00:08:17] We have another English under the Arches graduate and career and then high school graduate who is now a training manager in her franchisee organization. You know, the success stories go on and on.

Ben Wildavsky [00:08:30] Well, let's talk about the college program for a second. You know, how does that work? Are you paying full or partial tuition? And like, how much can people get?

Lisa Schumacher [00:08:39] Yes. So on the college side, the eligibility requirements are the same as there for the high school program. So 90 days of employment at a McDonald's restaurant and working an average of 15 hours a week. Crew have access to \$2,500 annually. They can use those funds at any accredited school across the country. So whether it's a four year institution, community college or trade school, as long as it's accredited, they are free to use those tuition assistance funds.

[00:09:09] Importantly, it is tuition assistance, not tuition reimbursement. We know that a significant barrier for people pursuing their education is the cost. And having access to that money upfront oftentimes prevents people from taking even one class. They just don't have the money to fund that. And so it was important for us to make sure that they got that money upfront.

Ben Wildavsky [00:09:31] OK. And I believe I understand there are some of these details that represent a change that you used to have to have longer work requirements. I think it was 20 hours a week, and so forth. And I'm wondering what were the old requirements and why did you change them?

Lisa Schumacher [00:09:47] Yes. When we first launched Archways, it was actually 12 months of employment and \$700, so significantly different than it is now. We decided to change from 12 months to nine months because we heard franchisees telling us that, you know, 12 months is a long time. And if I'm 18 years old, 12 months is an eternity. So we decided to, I would say, take baby steps. So we went from 12 months to nine months.

[00:10:13] And then when we saw the success of the program and we saw the impact that it was having, not just on individuals, but on our franchisees' businesses, to really take a pretty significant leap. And we, a year and a half ago, we made an investment of \$150 million over five years and drastically changed the eligibility requirements and the dollar amount. So we went from at the time nine months to 90 days and from \$700 to \$2,500.

Ben Wildavsky [00:10:40] Wow. And just a few sort of nuts and bolts. I mean, are there any -- I know you said the schools have to be accredited, whether they're two-year, four-year, trade school, but what about fields of study? I'm curious if there's any limitations and also, I'm curious, what subjects are most popular?

Lisa Schumacher [00:10:55] Yes. So we do not put limitations on what folks can study. We know that for most people, a job at McDonald's is a first job or, you know, potentially as a springboard job. So we don't want to limit what folks can study. So if somebody, you know, wants to become an accountant or wants to become a nurse or a teacher or a childcare worker, whatever that might look like, they have the opportunity to do that.

[00:11:19] However, I would say that most people are pursuing business degrees.

Ben Wildavsky [00:11:25] Got it. Actually I think, you know, nationally, I think business or some variation on business, like marketing and accounting, that's the most popular undergraduate major across the board.

Lisa Schumacher [00:11:34] Yeah, I often say that, you know, when I look at McDonald's restaurant employees, which is about 850,000 people, it really is a microcosm of the U.S. population. Right. So if we're talking about degrees pursuing or high school dropout rates, all of that, it tends to reflect what the national trend looks like.

Ben Wildavsky [00:11:53] Sure. That makes sense. And how are people making those decisions about what to study? You offer career advice to employees through an organization called CAEL, which is actually a Strada affiliate. And through that

partnership, you've just recently released an app that makes that kind of advice more accessible. Can you tell us more about that?

Lisa Schumacher [00:12:10] What we know is that one of the biggest challenges that people have is they don't necessarily have line of sight into what potential career pathways look like. When we surveyed restaurant employees, you know, the question wasn't what you want to be when you grow up, but where do you see yourself? What career would you like to pursue? The No. 1 answer was healthcare. But when we dug a little deeper, about what does that mean, there wasn't a lot of direction because people say healthcare I think because they know it's a growing industry. Everybody is touched by healthcare in some way, so people feel somewhat familiar with it, but they don't exactly know what a career in healthcare could look like. But the second answer was, "I don't know." And so that was really telling for us. And so it became clear to us that people really needed help, and we had started to provide that help through the advising services that we provide through CAEL. But that's a one-on-one relationship and becomes challenging to reach the masses with that.

Ben Wildavsky

Yeah, it's hard to scale that.

Lisa Schumacher [00:13:13] Exactly. And so we wanted to provide a way that people had really, you know, immediate, easy access to think about what was next for them. And so the app will allow them to do that. The app will allow them to gauge what their work style is and what their interests are. It will allow them to see what their transferable skills are. Right. So if I'm a shift manager at a McDonald's restaurant, for example, there are a lot of skills that I have because of that job, a lot of competencies I have. And so what I'll be able to see on the app is how do those competencies, how does that skill set I have being as a shift manager in a McDonald's restaurant translate into, for example, the healthcare industry. And then it will allow me to see what are the career paths within healthcare. So what is a radiology tech and how much money do they make? And what does a career pathway look like and what's the education I need to get to that role to even be considered for a role like that.

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Ben Wildavsky [00:14:23] What about the business case for these kinds of programs? What does a company get out of spending money to educate employees, especially when you have such high turnover?

Lisa Schumacher [00:14:31] If I'm a franchisee, if I own X number of McDonald's restaurants and I offer these education benefits, one, I potentially expand my recruitment pool. Right.

[00:14:44] I may be pulling in more people because they're really interested in getting that \$2,500 for college. And they may or may not have considered McDonald's without

that. The other piece of it is if it takes if I'm getting a two-year degree or getting a four-year degree, how long it takes me to get through that program. There's a level of retention that that franchisee is going to see because that person is getting every year they're getting that \$2,500 toward school. I think the other piece a piece of it is, is that there's, you know, a sense of brand loyalty. It's a conversation about McDonald's that, you know, might look a little different than it did before they had that experience.

Ben Wildavsky [00:15:28] So it's really about, you know, this maybe it sounds kind of, you know, very basic, but it's about showing that you care about people's development.

Lisa Schumacher [00:15:37] Absolutely. And any research you look at shows that if you invest in people's development, they stay longer, they're more productive, they're more engaged, all of those business positives.

Ben Wildavsky [00:15:48] Sure. Let me just try to sort of switch into a sort of broader, you know, I guess put on your kind of policy wonk hat. You're looking around the country. There are a number of other well-known businesses that have done, I'm not *exactly* what you're doing, but variations on the theme. Of course, Starbucks, you know, is now five years into their big partnership with ASU, you've had Wal-Mart, you've had a bunch of others. I'm wondering if you could speak to what you see as the need out there for adult learners. How do you see what you're doing at McDonald's is fitting into this much broader national picture of what are the needs that need to be met?

Lisa Schumacher [00:16:30] Well, I think that the beauty of companies like McDonald's, Wal-Mart, Starbucks, Amazon, big entry-level employers getting into this work, is that we are touching a very different group of adult workers. You know, traditionally when you look at learning and development and training within corporations, it is traditionally focused on sort of middle-skill workers and above. Right? So there's leadership training, there's management training. But historically, there hasn't been a significant investment in entry-level workers, especially part-time entry-level workers. And so, again, I think the wonderful thing about these large entry-level employers getting involved in this is that we are significantly expanding opportunities to those entry-level workers.

Ben Wildavsky [00:17:22] Right. Right. Absolutely. You know, I mentioned we've both talked about what some other employers are doing. Are there any things you could point to that you have learned from others in terms of, you know, maybe any course corrections people who have gone through, anything that were they were hoping something would work great, but didn't quite pan out and maybe they switched to something that was better?

Lisa Schumacher [00:17:43] Yeah, I mean, I certainly look to the companies that we've mentioned to see what they're doing. And sometimes it's what they're doing that makes us do something else, quite honestly. Yeah.

Ben Wildavsky [00:17:55] Can you sort of put a for instance on that for me just so I can visualize, like what you might do differently?

Lisa Schumacher [00:18:01] I have a very strong belief in the community college system in this country. And it was really important to us that people had a choice when we looked at our tuition assistance program. And when I think about our franchisees operating restaurants in their communities and I think about the people who work in McDonald's restaurants, community colleges are the natural fit, right? That makes a lot of sense that people are using that resource. You know, again, for us, that choice piece was more important than finding one school that could provide something to everybody in the organization.

Ben Wildavsky [00:18:37] Got it. OK. And then if you were to sort of flip this around, you know, what would you like people to be learning from you? What would you like to be known for?

Lisa Schumacher [00:18:46] Yeah, I think we'd like to be known for helping people move on to what's next. Again, whether that's what's next is within McDonald's or that what's next is elsewhere. We have created something that is not a one-size-fits-all solution. Right. So we know that people working in McDonald's restaurants aren't all ready to go to college. Some of them aren't going to go to college. So we wanted to create something again that really meets them at their point of need. So whether that's learning English language skills, getting a high school diploma, or moving on to college, that's what our choice provides. So that for me, is probably the top of the list of what we'd want to be known for is meeting people at their point of need.

Ben Wildavsky [00:19:26] Sure. And then just finally, you know, this is really about what you're doing at McDonald's, but it's also a broader question. You know, if as a nation we don't do more to me, people at their point of need, as you say, to provide more options, you know, especially for these entry-level workers, what do you think is at stake?

Lisa Schumacher [00:19:47] People get left behind. Right? People are being left behind. They don't have the same opportunity that others have. I also, you know, as we see the labor force shrinking from a business perspective. Right. We need to be able to think about not just the K-12 education system, but also to your point earlier, working adults and the jobs that they might be able to fill. We know we have an, I don't know the number off the top of my head, but whatever millions of open jobs.

Ben Wildavsky
Yes, 7 million.

Lisa Schumacher
I was going to say 7.1 million. The 7.1 million jobs that are open right there, it's again, not just the folks who are in K-12 education right now that are going to fill those. We

need to have people who are currently working and be able to think about filling those jobs, job roles, whether that's, you know, a welder or a nurse or an I.T. professional, and McDonald's restaurant employees can certainly be the talent pool that fills those roles.

Ben Wildavsky [00:20:46] That's great. Well, Lisa, thank you so much. This has been really terrific. And I've learned -- even having heard you before -- I've learned more. It was a great conversation and we really enjoyed having you.

Lisa Schumacher [00:20:56] Well, thanks, Ben. I enjoyed it also.

Ben Wildavsky

[00:21:05] That was my conversation with Lisa Schumacher. Thanks for listening to *Lessons Earned*.

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