Case Study #51



McDonald's HandPunch... McDonald's is Lovin' It!

HandPunch® Terminals Eliminate Expensive "Buddy Punching."

"We believe that hand geometry is more effective and produces fewer errors when there are larger employee populations."

- Brenda Morales, McDonald's

Summary

In Venezuela, McDonald's restaurants are cutting payroll costs by up to 22 percent annually after incorporating HandPunch biometric terminals to record time and attendance. Over 3,400 employees at 85 McDonald's restaurants in Venezuela have been enrolled with the HandPunch over the past four years. On average, the system generates over 7,500 transactions each day resulting in over 2.5 million "punches" annually.

Business Need

Students make up about 90 percent of the McDonald's workforce in Venezuela. They were frequently punching one another in to cover for exams or other school-related events. McDonald's needed to move to biometrics to verify that the employee clocking in was really that person. McDonald's worldwide success has been built on being fast, convenient and affordable. Expenses associated with employee badges and fraud caused by buddy punching had to be eliminated.



STATISTICS

Industry: Quick Serve Restaurant

- Application: Time & Attendance
 - Biometric: HandPunch®
- Hand Readers: 85
 - Users: 300
 - Geography: Venezuela



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- Brenda Morales, McDonald's

Challenges

Most supervisors at McDonald's are promoted from within and many it to impose rules and restrictions on their fellow workers. The HandPunch ensures that everyone is treated fairly. "A card only verifies a card," emphasizes Brenda Morales of McDonald's. "We have used scanning for other applications, but we believe that hand geometry is more effective and produces fewer errors when there are larger employee populations. With hand geometry, a larger area is scanned than with scans and the template is updated after every scan so it remains current." Is language an issue? There is a Spanish version of the software and the HandPunch terminals accommodate several other languages.

Solution

Supervisors at each franchise use the HandPunch terminals to authorize and verify employee time and overtime on a computer located at the store. Instead of out or punching timecards, employees simply place their hands on the HandPunch. It verifies the employee's identity in less than one second. The hours are then sent to a central payroll processing center via modem. The supervisors themselves also use the HandPunch to clock in and out.

Results

McDonald's is recouping payroll expenses with the biometric HandPunch terminals. McDonald's employees like the Hand-Punch terminals because their payroll information is processed quickly and without mistakes. They receive regular reports with information about their time and attendance.



McDonald's

McDonald's Corporation was founded in 1955 by franchise pioneer Ray Kroc. As the quintessential fast food restaurant, it has set the standard by which all similar chains are measured. McDonald's currently operates over 31,000 restaurants in 119 countries on six continents and serves more than 47 million customers daily.



In 1965 McDonald's went public with the company's offering on the stock exchange. At that time, 100 shares of stock would have cost \$2,250. Today, the same 100 shares would have multiplied into 74,360, and be worth more than \$1.8 million. McDonald's employs over 1.5 million people worldwide and continues to expand its reach with its unmistakable and consistency in quality and service.



HandPunch⊗ is a registered trademark of Schlage. Specifications subject to change. Please check with your system vendor for details.