

NSW Vocational
Education & Training
Accreditation Board

AQTF 2007 Compliance Audit Report

McDonald's Australia Ltd

23 November 2007

AQTF 2007 AUDIT REPORT

RTO DETAILS			
RTO Legal Name	McDonald's Australia Ltd		NTIS Number 90820
Trading name	As above		Business No
	ACN	008 496 928	ABN 43 008 496 928
Street address	21-29 Central Avenue Thornleigh		Postcode 2120
Postal address	As above		Postcode 2120
Phone	98756729	Fax	9875 6595
E-mail	info@au.mcd.com		Website www.McDonald's.com.au
Registration contact <small>Person responsible for registration matters</small>	Name		Position National Training Consultant
Student numbers <small>Currently enrolled</small>	2336 trainees		

AUDIT TEAM			
Lead auditor		Auditor(s)	
Technical advisor(s)		Observer(s)	

REGISTERING BODY DETAILS			
Contact person			
Phone		E-mail	

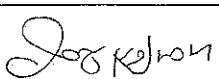
AUDIT DETAILS	
Type of audit	Renewal
Standards audited	All
Conditions audited	All
Audit date(s)	23 November 2007

INTRODUCTION
<p>McDonald's Australia was initially registered in Victoria with an expiry date of 31-3-2004. It transferred its registration to NSW on 28-10-2002. It expires on 31-12-2007. It is a corporation and non-government enterprise. It has 2 shareholders, McDonald's Australia Holdings Ltd and Global Restaurant Operations of Ireland Ltd. It has 3 Directors in. Company Secretary is . Certificate of Registration was for I registered July 1972, changed name to public company 14/6/2002 as McDonald's Properties (Australia) Ltd and on 1/7/2007 changed name to McDonald's Australia Ltd limited by shares. Its central office is in NSW and it has delivery sites in each State.</p> <p>McDonald's Australia delivers traineeship in Retail at Certificate II and III level. All the training is on the job. At audit McDonald's demonstrated best practice in their training delivery, client services and management of this arm of the business. Training is an integral part of their operations and this was demonstrated at audit.</p>

FOCUS OF AUDIT		
NTIS Code	Qualification(s), Unit(s) of competency, Accredited course(s) as per NTIS	Delivery site(s)
BSB60201	Advanced Diploma of Business Management	
WRR20102	Certificate II in Retail Operations- superseded by SIR 07	
WRR30102	Certificate III in Retail Supervision	
WRR40102	Certificate IV in Retail Management	
WRR50102	Diploma of Retail Management	

INTERVIEWEES		
Staff (name and position), Employers (name and position), Students (by program only; do not list by name)		
Name	Position	Program (qualification, course, etc)
	National Training Manager	All training
	National Training Consultant	All training
	National Training Consultant	All training
	National Training Consultants	All training
	Retail Traineeship Advisors	Certificate II & III Retail
	Trainee Certificate II Retail, Narellan	Certificate II Retail
	Trainee Certificate III Retail, Blacktown FC	Certificate III Retail
	Trainee Certificate III Retail, Kincumber	Certificate III Retail
	Trainee Certificate III Castle Hill	Certificate III Retail

SUMMARY OF AUDIT
<p>This audit was conducted under Section 22 of the NSW Vocational Education and Training Act 2005 (the VET Act) to assess compliance with the Australian Quality Training Framework 2007 Essential Standards for Registration. <i>The Conditions of Registration were also audited</i></p> <p>Audit Outcome 2007-11-23 The organisation has demonstrated compliance with the relevant AQTF 2007 Essential Standards and Conditions of Registration.</p>

AUDITOR'S RECOMMENDATION				
<p>2007-11-23 That, under the relevant section of the VET Act 2005, the organisation's application be approved</p>				
Auditor's Name		Signature		Date of Report
				25 November 2007

ESSENTIAL STANDARDS

Standard 1: The RTO provides quality training and assessment across all of its operations

Audit conclusion	Result	
The organisation incorporates training as part of its culture. Accredited training and assessment demonstrate best practice in the retail industry.	Compliant	✓
	Non-compliant	
	Not audited	
Strengths		
Organisational structure that incorporates training as a normal part of each job role. All staff involved.		
Opportunities for Improvement		
The organisation has identified the need and is exploring providing skills sets from other Training Packages into its management training		

Standard 2: The RTO adheres to principles of access and equity and maximises outcomes for its clients

Audit conclusion	Result	
The organization incorporates access and equity principles into its provision of services.	Compliant	✓
	Non-compliant	
	Not audited	
Strengths		
The training culture of the organisation assists all clients to maximise their outcomes.		
Opportunities for Improvement		

Standard 3: Management systems are responsive to the needs of clients, staff and stakeholders, and the environment in which the RTO operates

Audit conclusion	Result	
The management system is systematic and planned and is constantly monitored to ensure it meets the requirements of the stakeholders.	Compliant	✓
	Non-compliant	
	Not audited	
Strengths		
McDonald's has a global network within the management area that is constantly seeking to improve its performance.		
Opportunities for Improvement		

ESSENTIAL STANDARDS AND ELEMENTS

Standard 1: The RTO provides quality training and assessment across all of its operations

1.1 Training and assessment is continuously improved by collecting, analysing and acting on relevant data.

Evidence	Result	
<p>Organisation provided National Training P & P Version September 2007. Contained continual improvement policy. Any stakeholder can raise a Corrective Action Record which is then placed in the continuous improvement register. Viewed the CAR register and current folder at audit. All CARs logged. This is a major quality indicator used for training.</p> <p>Organisation is part of the McDonald's Global training network and provides input globally on training. Organisation has a quality improvement team for training which advises on changes/ improvements to resources materials etc. At present consulting widely on the new SIR07 Training Package to seek input on relevant electives to choose. Current mapping document will be updated.</p> <p>Meetings with Restaurant Managers, NSW Training group, Regional Training Managers about changes.</p> <p>Client feedback sought on website, and forms in all workbooks. Trainees interviewed stated they provide feedback on training and assessment to Crew Manager (on site) their Retail Training Manager (RTA) who conducts assessment and in classroom</p> <p>Organisation provided Risk Management Guidelines for RTOs based on National guidelines. Organisation employs an external body to conduct an internal audit on AQTF standards. Viewed current one conducted August 2007. Annual schedule and timetable for audits and validation provided.</p> <p>User choice audit for training conducted annually. Signed off as compliant.</p> <p>McDonald's part of NCVER pilot on quality indicators. Provided feedback.</p> <p>National quality assurance of training and assessment done by standardized material and workbooks and methods of training and assessment used. National Training Consultant visits each State and conducts spot audits and validation sessions.</p> <p>Materials: Consultative groups from States meet and make recommendations for changes. National training team only can make changes All changes in data collection must be signed off by National Training Manager. Example provided at audit: Service components speed has emerge as problem in the restaurants. Team is looking at training involvement and looking at Cert III workbook and customer satisfaction. All stakeholders involved. Trainees interviewed spoke about their knowledge of the potential for changes. National training manager sees this being part of the implementation of the SIR07 process.</p> <p>Viewed feedback from supervisor's course and OH&S and content from 2006 on.</p> <p>See 3.1 comments.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	

Findings

Organisation demonstrated systematic collection of relevant data nationally and improving training and assessment services across all accredited training provided.

1.2 Strategies for training and assessment meet the requirements of the relevant Training Package or accredited course and are developed in consultation with industry stakeholders.

Evidence	Result	
<p>Organisation provided L & A strategies for all qualifications on scope. McDonald's seen as major industry within Retail.</p> <p>McDonald's member of Industry Curriculum Committee, Retail Assessor Industry Network and WRAPS Curriculum Maintenance Board. Staff attended and had input into the VETAB workshops on the new SIR07 Training Package. Has established curriculum committees with training staff and restaurant managers and crew managers to discuss the implementation of SIR07.</p> <p>The organisation has a mapping document for all qualifications which has the company McDonald's Development programs at all levels mapped against the appropriate units of competency from the Training Package.</p> <p>The organization has aligned on the job training which is an integral part of all employee's work with the Training Package to enable staff to gain qualifications.</p> <p>All assessment is part of normal work function. All students have participant workbooks and log books. At audit interviewed 3 Certificate III Retail trainees and 1 Certificate II trainee. All had their workbook and current logbooks and material with them. All were able to describe their training program and relate it to the workplace. All had identified training in Retail as a career choice. All had a plan for future development. One trainee had progressed from a school based traineeship to the Certificate III and identified the relevance of the workplace experience to the training.</p> <p>Each trainee has a Workplace Coach and a Retail Traineeship Adviser who is the assessor. Workplace coaches meet stated criteria and coaching forms part of their job role and their Performance Management.</p> <p>The RTAs interviewed are responsible for 50 trainees and have appropriate qualifications. Those interviewed at audit had applied for the training roles after working for McDonald's in the Retail area. The material and strategies for training all relate to the on the job requirements and are standard across Australia.</p> <p>Viewed HACCP Food Safety checklists. All trainees spoke about Food safety with knowledge.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	

Findings

Training and assessment strategies are relevant and all staff interviewed could relate the training to their job role

1.3 Staff, facilities, equipment and training and assessment materials used by the RTO are consistent with the requirements of the Training Package or accredited course and the RTO's training and assessment strategies.

Evidence	Result	
<p>Toured the on site facilities. Classrooms and auditoriums had state of the art equipment. Classrooms have translation booths as McDonald's provides accredited training to students from Asia who access their management and crew training. Viewed classes in operations for Management level.</p> <p>Most training and assessment is done on the job in the normal workplace of the students. All training is consistent with workplace requirements and all assessments are work based. The RTAs visit and do the assessment. Viewed training plans with evidence of monitoring and assessment visits.</p> <p>Viewed staff matrix. All trainers have qualifications at the same or higher level. All assessors have BSZ40198. All are not upgrading to TAA40104 and McDonald's has used a number of RTOs for this.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	

Findings

Facilities and equipment are state of the art and meet workplace and Training Package requirements. All staff meet requirements.

- 1.4 Training and assessment is delivered by trainers and assessors who:**
- (a) have the training and assessment competencies determined by the National Quality Council or its successors
 - (b) have the relevant vocational competencies at least to the level being delivered or assessed, and
 - (c) continue to develop their vocational and training and assessment competencies to support continuous improvements in the delivery of RTO services.

Evidence	Result	
<p>Viewed the staff matrix.</p> <p>All trainers have as a minimum the Certificate II Retail or higher and six months experience on the job after receiving the qualification. Most have the Certificate III Retail. All staff have a professional development program where their Manager discusses their PD plan for the year. All staff undertake a PD program. Bonus system to be introduced 2008.</p> <p>McDonald's has a "learning" culture and all involved in the audit exhibited this. Viewed the files and PD for the National Training Consultants. Consultants are involved with Global Training and visit the US in particular for PD. Australia is the leading country to commence trialling e- learning as McDonald's is moving into e-learning.</p> <p>All assessors have the BSZ40198 and are upgrading to the TAA40104 using various RTOs.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	

Findings

The organization encourages their trainers and assessors to be involved in relevant PD and to remain current.

- 1.5 Assessment, including Recognition of Prior Learning (RPL):**
- (a) meets the requirements of the relevant Training Package or accredited course
 - (b) is conducted in accordance with the principles of assessment and the rules of evidence, and
 - (c) meets workplace and, where relevant, regulatory requirements.

Evidence	Result	
<p>Detailed RPL procedure provided for each qualification. The kit provides McDonald's specific workplace information students can use to collect evidence. It also references other evidence. The RPL kit is in plain English and straight forward for students to use.</p> <p>McDonald's provides LL&N assistance for all qualifications. This is in the student information. Assessments are very often conducted verbally to assist students. Scribes are also available.</p> <p>Students with a particular kind of dyslexia get workbooks in a different colour i.e. blue to assist. Sample of a completed RPL assessment evidence portfolio provided at audit. Composed of Self assessment against the elements and performance criteria McDonald specific workplace evidence examples listed, workplace coach and restaurant manager signoff and comments, assessor's questioning checklist for competency check</p> <p>At end of a course students get an action plan, go back to their restaurant and put into practice. Restaurant evaluates them and shows transfer of training.</p> <p>All assessments are mapped to the Training Package requirements. Assessments are standard issue Nationally.</p> <p>All workplace coaches and Regional Traineeship Advisers have an assessment guide and have received training to ensure principles of assessment and rules of evidence are applied.</p> <p>One of the trainees interviewed was able to provide an example of contingency management applied in the workplace as part of training.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	

Findings

Requirements of the element met.

Standard 2: The RTO adheres to principles of access and equity and maximises outcomes for its clients

2.1 Client services are continuously improved by collecting, analysing and acting on relevant data.

Evidence	Result	
Training is an integral part of employment at McDonald's Australia. Feedback is collected electronically and hard copy throughout the traineeship. Corrective Actions are logged, analysed and any changes put forward at meetings with restaurant managers and crew managers and the workplace provides input to client services	Compliant	✓
	Non-compliant	
	Not audited	
Validation is conducted annually and also McDonald's validates with external RTOs (as a member of ERTOA)	Not applicable	

All trainees interviewed stated they were able to make suggestions to improve services. One trainee is in discussions about potential for accelerated progression through the Certificate III.
Viewed survey conducted on trainees time off for study and coaching in all restaurants. They ranked the restaurants for study and coaching. This is published internally quarterly. All states are doing this. This ranking has improved the execution of the traineeship program and helped with completion rates for trainees. McDonald cancellation rate for trainees about 15% which is below the State average

Findings

McDonald's has systematic data collection relating to client services and actively encourages input.

2.2 Clients are informed about the learning, assessment and support services to be provided and their rights and obligations prior to enrolment and/or entering into a contract with the RTO.

Evidence	Result	
Trainees receive a Training Plan, workbook containing all materials and assessment, pre-course information book, and access to the McDonald's Access McD website. Trainee, restaurant manager go to orientation. Mission Australia is AAC. This is to assist all to understand the process and understand their role and responsibility. All trainees interviewed at the audit had the appropriate documents. All stated they were informed about their learning and assessment and rights and obligations prior to commencement.	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	

McDonald's conducts information sessions at their Training centre auditorium for schools, parents and students about Certificate II school based traineeships.
Viewed sample of completed traineeship files. All contained correct documents.
McDonald's is audited as part of user choice audits by the DET annually.

Findings

Clients receive appropriate information prior to enrolment. Trainees interviewed as part of the audit also stated this to be the case.

2.3 Employers and other parties who contribute to each learner's training and assessment are engaged in the development, delivery and monitoring of learning and assessment.

Evidence	Result	
Restaurant Managers and Crew Managers are involved in the development and monitoring of training. They provide instantaneous feedback to the students.	Compliant	✓
State Training has all stakeholders involved in developing the training. Consultative groups provide	Non-compliant	
	Not audited	

<p>input. Viewed meeting minutes making suggestions for curriculum changes.</p> <p>Example: <i>Made for you line</i> and <i>Delie choice</i> changes in McDonald's Restaurants occurred in response to consumer surveys. They wanted a better quality and consistency in food. The food is now cooked as ordered in production line. Customers can vary their choices with no difficulty. This meant a rethink of the delivery and assessment of the units prepare and display fast food items etc., sell products and service.</p> <p>McDonald's has a training culture and all training meets workplace requirements first and is then mapped to the Training Package.</p> <p>McDonald's is a member of Retail Assessors Industry Network and Retail Industry Curriculum committees and WRAPS Curriculum Maintenance Board.</p>	Not applicable	
Findings		
Employers and the Retail Industry are involved in ensuring relevance of the training to industry need.		

2.4 Learners receive training, assessment and support services that meet their individual needs.		
Evidence	Result	
<p>Student information provides detailed services for those with LL&N difficulties and other learning difficulties.</p> <p>Workplace Coach provides on the job assistance with training and assessment needs. Retail Traineeship Advisers support the individuals with assessment.</p> <p>School based trainees receive information sessions prior to commencing the Certificate II traineeship and the workplace coach assists with on the job help.</p> <p>Trainees interviewed all stated they received individual help any time it was required. Trainees have Recap days where advice is provided at workshops with other trainees.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	
Findings		
Individual students receive support they require during the traineeship.		

2.5 Learners have timely access to current and accurate records of their participation and progress.		
Evidence	Result	
<p>Learners have copies of their Training Plan and sign off on their training. Space for feedback is contained in workbook s for each unit. Action plans for further training to achieve competency are also used.</p> <p>Student records are available on request to the Training Manager. Stated in student pre course information. They need to make an appointment to come and view their file. Assessment records for each assessment have a carbon copy. One is placed on student file and one is given to the students.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	
Findings		
Students are provided with progress reports and have access to their records.		

2.6 Complaints and appeals are addressed efficiently and effectively.		
Evidence	Result	
	Compliant	✓
	Non-compliant	
	Not audited	
Detailed complaints policy and procedure in P & P document. All stakeholders can fill in a Corrective Action Record which is placed in Corrective Action Register. The CAR current folder viewed at audit. A detailed complaints procedure is available for any type of complaint both in hard copy and on the website. Students are encouraged to give feedback. A National Training Scorecard and Champions Ladder and Scorecard is used to give feedback to the workplaces from students.		
Findings		
McDonald's has a culture of customer feedback and complaints are well documented and acted upon.		

Standard 3: Management systems are responsive to the needs of clients, staff and stakeholders, and the environment in which the RTO operates

3.1 A systematic and continuous improvement approach to the management of operations is used.		
Evidence	Result	
	Compliant	✓
	Non-compliant	
	Not audited	
<p>Organisation provided National Training P & P Version September 2007. Contained continual improvement policy. An Operations Implementation Checklist is used to record any changes needed. Any stakeholder can raise a Corrective Action Record which is then placed in the continuous improvement register. The CAR is available to all and logged either online on hard copy. Organisation has quality committees and staff committees that feedback into the Management system at regular intervals.</p> <p>There is a Restaurant Feedback form, a Champions Ladder and Scorecard and a National Training Scorecard provided quarterly which feeds back on the performance of training and the service. All staff interviewed had been involved in the feedback process at their level. All were aware of the McDonald's culture of continuous improvement to all operations.</p> <p>Managing change is part of culture of McDonald's. Since late 1990s McDonald's has brought in new products etc this leads into training. McDonald's is piloting the use of their hand held computer (used at restaurants for service) to input the station observation checklist used for assessment. This would be linked to the roster and so only staff who have completed the station observation checklist will be deployed in that section. This will be deployed mid 2008.</p> <p>The National Training Consultants are to be trained in the US on the Learning Content Management Systems (LCMS) used. This holds all operating and training standards centrally. The system creates the material, updates it centrally and it is standardized. Version control centralized. In Australia the core operations standards (SOPs) first to be done. Training materials will then be done. E learning is linked to this. McDonald's is in the process of deploying crew computers and broad band width to all stores to support e learning. Students will be able to use in quiet space in restaurant. This has come about in response to learning needs of stakeholders. Australia is to be lead country for roll out of e learning.</p>		
Findings		
A systematic approach to management of operations exists throughout the organisation		

3.2 Training and/or assessment services provided on behalf of the RTO are monitored to ensure they comply with all aspects of the Essential Standards for Registration.

Evidence	Result	
<p>Training relevance to the workplace is monitored by the Crew Managers and Restaurant Managers and fed back to the National Training Consultants. The NTC and the Manager monitor training and assessment services to ensure it meets requirements of the AQTF Standards. Internal audits on States done inhouse. National training manager goes to each state and does the audit. CEO signs off. Viewed schedule for 2007 and 8.</p> <p>Validation of the training and assessment occurs annually and at other times when required.</p> <p>All training staff interviewed were aware of the requirements of Registration</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	
Findings		
<p>Organisation meets the essential standards for Registration and monitors all operations systematically.</p>		

3.3 Records are managed to ensure their accuracy and integrity.

Evidence	Result	
<p>Records for training and assessment and CARs and PD records viewed at audit. Viewed sample of student files from Cert II and Cert III. Assessments for units kept in hard copy for 2 years Then archived.</p> <p>At assessment activities viewed are listed and reported on centrally. Helps with record keeping. Space for student comments e.g. not being given time off for study completion i.e. 2 hrs per week. Noted in file. This was followed up through the CAR.</p> <p>Training Plans viewed were accurate. Used choice audits occur annually.</p>	Compliant	✓
	Non-compliant	
	Not audited	
	Not applicable	
Findings		
<p>Records management is accurate.</p>		

CONDITIONS OF REGISTRATION

CONDITIONS OF REGISTRATION	RESULTS				EVIDENCE	CORRECTIVE ACTION TO BE TAKEN
	Yes	No	Not audited	Not applicable		

CONDITION 1 – GOVERNANCE

The RTO's chief executive must ensure that the RTO complies with the Essential Standards for Registration and any national guidelines approved by the National Quality Council. This applies to all operations within the RTO's scope of registration, as listed on the National Training Information Service.	✓					
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CONDITION 2 – INTERACTIONS WITH THE REGISTERING BODY

The RTO's chief executive must ensure that the RTO cooperates with its registering body: <ul style="list-style-type: none"> • in the conduct of audits and monitoring of its operations • by providing accurate and timely data relevant to measures of its performance • by providing information about significant changes to its operations in the retention, archiving, retrieval and transfer of records consistent with its registering body's requirements.	✓					
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CONDITION 3 – COMPLIANCE WITH LEGISLATION

The RTO must comply with Commonwealth, State or Territory legislation and regulatory requirements that are relevant to its operations and its scope of registration. It must ensure that its staff and clients are fully informed of requirements that affect their duties or participation in vocational education and training.	✓					
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CONDITION 4 – INSURANCE

CONDITIONS OF REGISTRATION	RESULTS				EVIDENCE	CORRECTIVE ACTION TO BE TAKEN
	Yes	No	Not audited	Not applicable		
The RTO must hold insurance for public liability throughout its registration period.	✓					

CONDITION 5 – FINANCIAL MANAGEMENT

The RTO must protect fees paid in advance and have a fair and reasonable refund policy.						
The RTO must have its accounts certified by a qualified accountant to Australian Accounting Standards at least annually, and must provide the certificate of accounts to its registering body on request. If the registering body reasonably deems it necessary, the chief executive must provide a full audit report on the RTO's financial accounts from a qualified and independent accountant.	✓					

CONDITION 6 – CERTIFICATION AND ISSUING OF QUALIFICATIONS AND STATEMENTS OF ATTAINMENT

The RTO must issue to persons whom it has assessed as competent in accordance with the requirements of the Training Package or accredited course, a qualification or statement of attainment (as appropriate) that: <ul style="list-style-type: none"> meets the Australian Qualifications Framework (AQF) requirements identifies the RTO by its national provider number from the National Training Information Service includes the Nationally Recognised Training (NRT) logo in accordance with the current conditions of use	✓					
The RTO must retain learners' records of attainment of units of competency and qualifications for a period of 30 years.	✓					

CONDITION 7 – RECOGNITION OF QUALIFICATIONS ISSUED BY OTHER RTOS

The RTO must recognise the AQF qualifications and statements of attainment issued by any other RTO.	✓					
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CONDITION 8 – ACCURACY AND INTEGRITY OF MARKETING

CONDITIONS OF REGISTRATION	RESULTS				EVIDENCE	CORRECTIVE ACTION TO BE TAKEN
	Yes	No	Not audited	Not applicable		
The RTO must ensure that its marketing and advertising of AQF qualifications to prospective clients is ethical, accurate and consistent with its scope of registration. The NRT logo must be employed only in accordance with its conditions of use.	✓					

CONDITION 9 – TRANSITION TO TRAINING PACKAGES/EXPIRY OF ACCREDITED COURSES

The RTO must manage the transition from superseded Training Packages within 12 months of their publication on the National Training Information Service. The RTO must also manage the transition from superseded accredited courses so that it delivers only currently endorsed Training Packages and currently accredited courses.	✓					Check SIR
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