



CRITICAL INITIATIVES FOR HUMAN RESOURCES AS 2007 APPROACHES

by Bob Orr

Every company needs to know what the opinions of their employees are as they relate to key aspects of their job — not just assume or guess.

Every casino has a human resources department, but they are not all created equal. Some have an HR staff that has strong HR understanding and knowledge, are professional, and play a strategic role in the casino's operation. Others have inexperienced HR staffs that see their role as the casino's "police" (they are constantly telling people what they cannot do), record keepers and are not aware of the critical initiatives the HR department must be performing/managing.

Human resources cannot be a meaningful contributor to the casino's strategic business plan if they are not on top of the property's manpower needs, if they don't understand why employees leave, know if the department is operating at peak efficiency and understand what the employees' needs and opinions are on key factors.

What are these critical initiatives?

These initiatives should be performed at least annually to ensure HR is supporting the needs of the business and providing management with the guidance and information needed to be proactive in the way they make certain business decisions. Employees are an investment the company makes in its business just like capital expenditures are. Management invests large dollar amounts in capital to maintain and expand its business, and its human capital investment needs to be viewed in the same manner. Yet, too often

companies view the money spent on employees as an expense and not the investment they truly are.

If the following initiatives are undertaken and the information they glean used wisely, then management will be able to capitalize on their largest investment — their employees.

1. **Succession/manpower planning**
2. **Employee turnover analysis**
3. **Employee opinion survey**
4. **Recruiting and staffing**

Let's look at each of these initiatives more closely and see how each can assist human resources and management in preparing for the future while maximizing the opportunities they can control. Putting it bluntly, management can control the effectiveness and productivity of their human capital investment, but too often they worry about what the competition is doing, what the economy is like, etc. Neither of which they have any control over.

Succession/manpower planning

Everyone realizes a manager/supervisor is only as good as the people who work for them, and a company is only as good as those people they have managing, supervising and leading the frontline employees. A manager/supervisor cannot be successful with-

out having productive frontline employees who are properly motivated, directed and developed. Therefore, it is critical that HR spearhead the development of a succession/manpower planning process so the company is ready to address its manpower challenges for 2007. It must be kept in mind that this process is not the same as a company's performance evaluation process.

Performance evaluations focus on what has happened during the last evaluation period, are usually evaluating technical skills and knowledge, attendance, guest service, dependability, cooperation, etc., and usually have a pay associated with the outcome. However, a succession/manpower planning instrument measures specific skills and traits about a person's ability to lead and manage others. It looks at such things as communication skills, general business understanding and leadership, and assesses future "promotability."

Once completed on every supervisor and manager in the organization, the company will be able to identify specific areas for development opportunities for the company as well as individual development needs (not all people need the same development).

Employee turnover analysis

The gaming/resort industry is constantly plagued with employee turnover, and too often I hear: "Well, it's the nature of the business" or "I don't understand why

people leave, we are a great place to work" or "there aren't many other places to work in our market so the people we hire will stay." It is the nature of the business to some extent, and often Indian casinos are in rural areas and there aren't many other employment options. But until a thorough analysis is done, we will never know for sure what we could do to reduce it.

That is why some more progressive casinos try to actually find out why people leave and not just assume they know or write it off to the nature of the business. This can be done by having a well-thought-out survey developed and mailed to the home of every employee who has resigned (not those the casino terminated) within the past year. (Do not confuse this process with the company's exit interview process if there is one. During an exit interview, all the employee is truly interested in is getting out as quickly as possible, so they tend to tell you what they believe you want to hear.) The survey should be simple, ask the right questions, be accompanied by a letter from the general manager and/or tribal chairman, and be mailed out with a prepaid return envelope addressed back to the person tabulating the results. The former employee must know that the casino is sincerely interested in why they really left, and that their opinions on key aspects of the company and their responses are totally confidential.

Employee opinion survey

Every company needs to know what the opinions of their employees are as they relate to key aspects of their job — not just assume or guess. The opinion survey should gather opinions on communications, work environment, company values, supervision, training/career opportunities, and compensation/benefits. The survey should also measure how important certain job-related aspects are to the employee and their degree of satisfaction with other departments in which they interact with in the organization.

Every employee should also be allowed the opportunity to write their opinions on such things as what they like best and least about working for the company and what changes they would make if they were in charge. These surveys need to be totally confidential to be effective; therefore an outside resource should be used to ensure confidentiality, thus gaining complete employee honesty and candor.

Conducting these opinion surveys on a regular basis shows the employees that management really cares about and wants to hear their opinions, opens communication between management and the employee, allows the employee to feel more a part of the success of the organization, and serves to gain employee trust and improve morale.

Once the survey has been conducted and the results fed back to management, a communication strategy needs to be put in place to communicate the findings back to the employees and discuss how management will proceed in the future to address any significant issues. When addressing the identified issues, they need to be prioritized and, whenever possible, employees ought to be involved in part of developing any action plans and solutions.

Recruiting and staffing

Everything starts by having the "right" people in the "right" jobs. If this doesn't happen, there is little chance for success for the employee or the company. Human resources must be leading this effort and not rely on the individual department heads to take control. In today's competitive market for attracting qualified candidates, an "outside-the-box" approach may need to be taken to get the type of applicants a company wants and needs. Open houses, in-house educational forums, hiring incentives, well-promoted employee referral incentives and vendor contacts are a few of the things a company may want to consider.

In addition, HR must effectively "screen" every applicant before referring them on to the department for interviewing. To do this, HR needs to have a sound understanding of the basic qualifications of every position in the organization, which is gained by having current and accurate job descriptions, interviewing current employees and talking with managers about what makes an effective employee for the position in question.

The employees of any company are the company's largest investment. Therefore, it is critical that organizations, large or small, maximize this investment by ensuring they have the "right" people in the "right" position, the most qualified people are in or promoted into supervisory roles, understand why employees leave, are committed to retaining their best employees, and knowing

formally what employee opinions and concerns are and obtaining employee involvement in finding solutions to improve the organization.

In order for companies to have on-going success, they cannot rely on the "business as usual" approach. They must take a proactive approach to areas that have long been ignored or not done effectively, and human resources should be an integral part of the process. **NAC**

Bob Orr founded Human Resources Group, a human resources consulting company, in 1991 and has focused on Indian gaming and the hospitality industry. He has provided products and consulting services to over 30 Native American casino/resorts in addition to several traditional casinos, including but not limited to: HR Strategic Plans, Employee Surveys, HR Department Assessments, Compliance Reviews, Succession Planning, HR Department Infrastructure, Policies & Practices, Employee Handbooks, Job Descriptions, Development of Native Americans in HR. To enquire about the products and services offered, call (708) 672-3370, e-mail rorr@humanresourcesgroup.com or visit www.humanresourcesgroup.com.

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