

White Paper

Opening a New Casino

Human Resource/Training Requirements

By

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As you prepare a PLAN for the opening of a new casino there are several issues and initiatives that must be kept in mind and addressed far in advance of the scheduled opening date for the property. This document has been prepared and written to provide management the information necessary pertaining to some of the initiatives that require attention long before grand opening day.

Opening a new casino can be a daunting task. It is even more daunting if you do not have a well thought out PLAN that allows for the proper execution of the pre-opening process. Pre-opening sets the stage for your casino's on-going success. Why is this important? It's pretty basic, when your new property opens a lot of people will come because it is "new." But will they come back? The answer to that question is often based on their first experience. Your guests need to be greeted and serviced by people who have been placed in the "right" positions and have been properly trained to not only perform their job but also trained in delivering your culture to the guest.

So what do you need to do? First there are some important assumptions outlined below that need to be taken into account. Then there is the necessary planning and work that needs to be addressed well before you take your first application for your new casino. All of these are delineated in this "white paper."

Important Assumptions/Facts:

- The Casino will typically need to pre-screen about 10 applicants for every person you plan to hire.
- The Casino will need to consider the competition in your market and the ease of access to the new casino.
- The Casino will undoubtedly desire to be a union-free Enterprise.
- The Casino will need to analyze and understand the market area and where they can realistically draw qualified applicants from. There should not be a heavy reliance on people

experienced with other casinos since they may not meet what the new casino wants to project to the customer (old habits can be hard to break).

- To better manage pre-opening costs, the Casino should look for creative methods of recruiting applicants, instead of relying solely on traditional methods.
- Employee Benefits need to be determined in advance to assist in the recruiting and hiring efforts and for pre-opening budget preparation.
- Employee “pre-screening” and final selection requirements must be defined to ensure hiring the best possible employees who will understand and be supportive of the Casino’s Mission and Vision and the Culture the casino wants to instill.
- The Casino should have a desire to pay competitive wages based on industry and market wage survey data.
- Grade Levels and Wage Ranges will be established far in advance, based on survey data to define the pre-opening payroll budget.
- Dates employees will be brought on-board, detailed by position, need to be defined in advance, so pre-opening payroll can be allocated. Employees will report based on a plan to accomplish casino set-up requirements and training needs, while staying within budget.
- The Casino will have the necessary infrastructure in place and training developed as far in advance of the mass-hiring Employment Center opening as possible.

Pre-Opening HR Requirements:

- Developing the pre-opening process and infrastructure for the new Casino. This includes, but is not be limited to: (not in order of priority)
 - The mass-hiring Employment Center must be operational at least 22 to 24 weeks prior to Grand Opening Day. This allows for appropriate recruiting efforts, pre-screening, second interviews by the operating departments, hiring decisions, issuance of offer letters, applicants giving notice to current employers, drug testing, background checks, uniform issuance, New Hire Orientation and pre-opening job skills and supervisory training conducted.
 - Prepare a “New Casino HR/Training Opening Manual” with timelines to be used as a guideline for the new Casino opening. The Employment Center needs to be operational and open to Tribal Members (if applicable) 1 week prior to opening to the Public and at least 22 to 24 weeks before the scheduled Grand Opening.
 - Review State Compact (if applicable), Management Agreement (if applicable), and Tribal Laws/Regulations (if applicable), and Tribal and/or State Gaming Commission

Regulations to ensure the entire process, policies, etc., are developed in compliance with jurisdictional requirements.

- Have a Strategic Planning meeting with the Tribe (if applicable), management company, GM and other resources to outline all initiatives and establish timelines for completion and define responsibilities and accountabilities.
- Develop and open the appropriate size **Employment/Administrative/Training Center** (for mass hiring and training), including the layout, and define all furniture, equipment, phones, and office supply requirements, etc.
- Interview and select appropriate vendor for the HRIS system for taking applications electronically, applicant tracking, employment and on-going recordkeeping for drug testing, licensing, uniform issuance, training, etc.
- Define the pre-employment Drug Testing process to be followed and interview and select vendor to administer drug testing.
- Determine uniform requirements, by department, and identify appropriate vendor to be used. Determine if you are going to purchase uniforms or lease them.
- Prepare a formal presentation to be delivered, as applicable to casino management, Development Authority/Business Committee, Tribal Council (if applicable), Gaming Commission, etc., to explain the entire pre-opening processes, organization structure, HR Policies, Training, Staffing Timelines, job and performance expectations, etc., so they know what to expect. This prepares them for answering questions they will receive from the community.
- Establish on-site management and direction of the Employment Center's daily operations until Casino Opening must be determined.
- Develop Employment Center Process Manual to be used in training HR Screeners regarding applicant tracking, licensing, applicant pre-screening, uniform distribution, drug testing, fingerprinting, etc.
- Prepare an "Employment Center Operating Manual" to be used in training HR Screeners on the process, including how to pre-screen applicants, applicant tracking, data input, record keeping, team work, customer (applicant) service, etc.
- Coordinate the appearance of news media for FREE news coverage of the opening of the Employment Center.
- Develop all help-wanted ads for use in electronic and print media as needed.

- Establish and manage the recruitment strategy for applicants including ad placement, job fairs (Tribal Member and Public), open houses, state employment services, minority and women's organization, etc.
- Determine appropriate locations where job fairs may be held.
- Meet with Tribal and/or State Gaming Commissions to begin planning the employment process, defining licensing requirements for every position.
- Develop Job Summaries, Job Codes, Casino Fact Sheet, etc., to be used by applicants to identify jobs of interest and for accurate and efficient pre-screening and applicant tracking.
- Identify and train all "HR Screeners" on how to properly and legally pre-screen applicants in a professional manner, which reflects properly on the Enterprise, answers applicant questions, rates all pre-screened applicants, etc.
- Design and oversee the printing of all HR employment documents, pre-screening scoring sheets, math tests, etc., needed for the effective referral and selection of potential employees.
- Develop, in conjunction with Marketing, all collateral recruiting and Employment Center material to create excitement and enthusiasm for the new property.
- Develop all Job Descriptions, which are ADA compliant and which can be used in pre-screening applicants effectively and the conducting of decision making interviews.
- Develop all Human Resource Policies to meet the Company's requirements and submit for approval as required.
- Develop the Employee Handbook based on approved HR Policies.
- Develop a Safety Handbook
- Develop a staffing plan model for the property.
- Develop Job Compendium/Staffing Levels (by department and position) to be used for managing and controlling the pre-opening payroll budget.
- Finalize appropriate Grade Levels (based on pre-defined model) and compensation Wage Ranges to be used based on market and industry survey data.
- Determine and develop any incentive/bonus plans you want to install. This will aid in the recruiting process.
- Work with state and federal agencies to obtain all available "job tax credits."

- Develop an appropriate labor relations strategy to remain a union-free workplace.
- Design the Performance Management program that you will have placing an emphasis on developing “SMART” Goals for all managers, directors and vice presidents.
- Establish all HR Administrative practices and procedures.
- Conduct HR Policy and Practice Training/Information Meetings for all supervisors, managers and directors prior to opening.
- Conduct pre-opening Harassment Prevention training for all Executives, Managers, and Supervisors.
- Develop a series of training modules to be used during pre-opening, including New Hire Orientation, Guest Service, Interviewing Skills, select job skills, basic supervisor training, Tribal Member Development (if applicable), etc.
- Develop a Training Calendar for all positions based on days-on-board. i.e., Table Games training needs to be based on the games your property will have. For example, Craps – 13 weeks; Roulette and Black Jack -- 6 to 7 weeks prior to opening (including audition time).

A Few Non-HR/Training Initiatives

- Develop a MS Project Gantt Chart detailing, **for all departments**, the time lines needed for all required initiatives.
- Write Internal Controls and submit for appropriate approvals.
- Develop initial Operating Procedure Manuals for the following departments to meet jurisdiction requirements and best practices:
 - Cage
 - IT
 - Players Club
 - Slots
 - Security
 - F&B
 - Count Room
 - Internal Audit
 - Revenue Accounting
 - Table Games
 - Surveillance
 - Facilities/OSHA/MSDS/Grounds Keeping
- Develop initial Operating Policies and Practices for the following departments to meet jurisdiction requirements and best practices:
 - General Operations
 - IT
 - Facilities
 - Finance/General and Revenue Accounting
 - Cage/Count Room
 - Purchasing

- Gaming
- Surveillance
- Food & Beverage
- Security/Safety
- Marketing
- Training including Tribal Member Development

Summary

If you properly plan and prepare for what you will encounter in opening a new property, you will have created an environment that will encourage a smooth pre-opening process that translates not only into a successful Grand Opening but a successful on-going operation far beyond opening day. Done properly you will have better, more qualified and trained employees placed in the “right” job, which will translate into excellent guest service, higher employee productivity and ensure guests will return after the Opening.

Bob Orr founded Human Resources Group, Ltd., a human resource consulting company in 1991 and has focused on Indian Gaming, Corporate Gaming, and the Hospitality industry. He has provided products and consulting services to management companies, Native American Casino/Resorts, in addition to several corporate casinos. Services have included but have not been limited to: Opening 15 casinos, HR Strategic Plans, Employee Opinion Surveys, HR Department Assessments, Compliance Reviews, Succession Planning, HR Department Infrastructure, Policies & Practices, Employee Handbooks, Job Descriptions, and more. To inquire about the products and services offered, Call (708) 946-9652, e-mail rorr@humanresourcesgrouppltd.com or visit our Web site: www.humanresourcesgrouppltd.com.