

Rules of Engagement

The industry's health depends on truly "engaged" employees

by Bob Schwieterman



While most industries are affected by the global economic crisis, the gaming industry has been especially hard-hit. A dramatic decline in discretionary spending by consumers and tight credit have put casinos in a precarious state. Many gaming businesses have announced staff reductions and slashed capital expenditures to weather the storm.

It was against this economic backdrop that a group of more than 60 gaming leaders gathered to discuss employee engagement issues and trends in the industry during the 2008 Global Gaming Expo. I'd like to offer some views from a panel session I moderated, titled "Rules of Engagement."

Gaming businesses increasingly recognize that employee engagement is an important part of their efforts to recruit top talent and a factor in top-line and bottom-line business performance. Engaged employees are passionate, energetic and driven employees who deliver better service to the customer and directly generate better business results.

Employee engagement goes beyond mere job satisfaction. In today's economy, employees might be "satisfied" with just having a job. But true engagement is a higher level of commitment and dedication to their jobs and their organization.

"It's not that job satisfaction is a bad thing," said Kim Macdonald, regional director for Valtera Corporation. "But on its own, satisfaction is not a road to profitability. Developing engaged employees sets you apart from the competition."

Independent research has even documented the link between engaged employees and customer satisfaction. The American Customer Satisfaction Index showed that service businesses in the top tier of employee engagement have significantly more satisfied customers.

Engaged employees can have a profound impact on a business. Engagement behaviors include:

- Persistence at difficult tasks
- Helping others even when "it's not my job"
- Going beyond the norm to improve the guest experience
- Voicing recommendations for change
- Initiating an expansion of one's responsibilities

The path to an engaged workforce begins with

shaping the work environment and then nurturing engagement attitudes. Oftentimes, organizations will undertake an employee assessment to benchmark the current level of engagement and identify opportunities to improve engagement. Such a survey is different from the typical employee opinion surveys that many organizations conduct.

"Annual employee surveys are a mistake," said Nancie O'Neill, director of organizational development and training for Pinnacle Entertainment. "I believe in more frequent pulse surveys that help us understand the current environment."

Hard Rock HR Director Carrie Messina agreed with the real-time need for understanding employee concerns as a way of building engagement. "Don't ask employees for feedback if you're not prepared to respond to that feedback," she said. "You may not implement every suggestion, but it's important to let people know you heard them and what you are—or are not—going to do with that information."

An organization must establish an environment that will foster high engagement. This includes:

- jobs that can capture the minds and hearts of the people doing them;
- a safe environment to take initiative, become involved and offer suggestions; and
- the resources to do the work well.

"We frequently ask our employees what they want in their jobs and direction. Structure and order are always at the top of the list," said O'Neill. "As managers we need to create an environment that meets those employee desires. In doing so, we build trust and involvement."

At Station Casinos, there's a coordinated effort to understand what people expect from their jobs. "We ask what their development goals are and make conscious decisions based on those goals," said Harry Heck, corporate director of team member relations. "We don't believe in an up-or-out philosophy. Some people want to move up while others want to continue doing their current job. Recognizing those differences is important."

Hard Rock also has recognized generational differences among employees. "The attitudes and motivations differ among our younger and older employees," Messina noted. "So it's important to specifically

ask what's important to your employees. What you may choose as important or rewarding may not be what your employees will choose as rewarding."

IMPROVING ENGAGEMENT

"A fundamental part of improving engagement is understanding where engagement is built," said Messina. "Our front-line managers and pit bosses make the biggest difference with employees. So our senior executives focus on making sure managers know what's expected, and the managers champion that down the organization."

Numerous studies of workplace performance have shown that a person's direct manager is the single most important force influencing that performance. Providing managers with the skills and resources needed to successfully manage their teams will increase engagement and increase performance.

Engagement is contagious, in both positive and negative ways. A good manager will create enthusiasm in his or her team. But a single disengaged employee can undermine the engagement and performance of many others. This is especially true among managers. "Managers need to model the behaviors you want from staff," said Macdonald. "They'll breed disengagement if they enforce workplace rules inconsistently."

Too many executives dismiss employee engagement initiatives because they incorrectly assume these programs carry a high price tag. In fact, there are typically several ways to improve engagement at little or no cost. Just the process of asking employees about their work environment often causes them to feel more engaged. But that improvement will be short-lived if there is not appropriate follow-up.

Your employees are the face of your business. A dealer, room attendant or check-in team member will do more to influence your guests' experience than any senior executive. And in today's economy, every guest experience matters. An engaged employee equates to improved customer service, which translates into improved business results.

Bob Schwieterman is general manager of the TRACOM Group's Performance Consulting Division. He can be contacted at 303-265-6143 or www.tracomperformanceconsulting.com.