



Strategies to Attract and Retain Casino Employees

by Andrew Klebanow

While Indian casinos have managed to overcome many of the challenges that they were faced with at the outset of the pandemic, some problems have become chronic. Perhaps the most unexpected of those has been retaining staff and attracting new recruits. Indian casinos, long considered preferred employers in many markets, now have to compete with a wide variety of industries for what has become a precious commodity: reliable, service-focused hospitality workers.

For reasons that even the most astute economists cannot fully explain, the U.S. labor market remains stubbornly tight. Today, casinos not only have to compete with restaurants and hotels for experienced hospitality professionals, they now have to compete with national retailers, convenience store chains as well as any number of industries that are starved for workers.

Attraction and retention are two distinct activities, and as such, require different strategies. For any organization, retaining existing employees should be paramount. It takes a lot more time and money to train a new hire than it is to create a work environment that encourages existing employees to stay. Nevertheless, vacancies exist in virtually every casino, and those positions need to be filled.

Attraction and Recruitment

One need only drive down a commercial corridor in any village, town or city to see how competitive the nation's job market is for entry-level employees. Help wanted messages can be found on fast food restaurant marquees, online employment bulletin boards and traditional classified ads. They often tout starting wages and basic benefits far in excess of minimum wage. As a first step, a casino should conduct a wage survey of their local labor market and decide, from a strategic standpoint whether they want to be a wage leader, a wage competitor, or a wage laggard in the local market. The latter strategy is not recommended.

Casinos' starting wages need to be competitive with the headline wages posted in classified ads, but they must also recognize that people apply for jobs because they need to get to work, and they need to get to work now. Criminal background checks, while necessary for casino workers, often take weeks to complete. Working with gaming commissions, this process needs to be streamlined so would-be employees can get to work sooner. Otherwise, they will take a job somewhere else.

Casino operators should also revisit their policies towards drug testing. According to the National Conference of State Legislatures, nineteen states and the District of Columbia have legalized the recreational use of marijuana for adults.

Thirty eight states have legalized the medicinal use of marijuana to some degree. While no employer should ever tolerate anyone showing up for work stoned or intoxicated, the fact is a lot of people use cannabis products as a form of recreation. According to the Centers for Disease Control, 48.5 million people, or eighteen percent of the U.S. population have used cannabis products. By continuing to drug test for marijuana, a casino is automatically eliminating nearly twenty percent of potential job applicants.

Effective Retention Strategies

Effective retention strategies are far more important for the long-term health of the gaming enterprise, and some of the strategies that casino marketing employs can be applied to employee retention. As any casino marketing professional will tell you, understanding the wants and needs of customers is a critical success factor for the business. That is why marketing personnel conduct focus groups, customer insight panels, and surveys of customers. They want to know how the casino is doing and how the gaming experience can be improved.

Listen to Employees – Astute casino operators recognize that their employees are their internal customers and as such, those same marketing techniques can be applied to better understand their wants and needs. To this end, start by conducting focus groups with a random sample of employees, using a moderator. Unlike focus groups, these sessions would not be video recorded. Employees need to be free to speak their minds and they will not do so if they feel what they say will get back to their supervisors. Ideally, these groups would be conducted in a remote location like a hotel meeting room, and participants would be compensated for their participation. Do not rely on managers to tell you what employees are saying. Have someone ask them. Another tactic that is critical is to ask why an employee is leaving. This should be done through a formal exit interview. Rarely does an employee leave just for a higher wage. Work conditions, inconsistent work schedules, and unhealthy work environments can all play into reasons why employees leave.

Teach Managers to Lead in a Consistent Manner – Rarely are supervisors or managers given leadership training when they are first promoted into a supervisory role. Rather, most people learn how to lead by people who supervised them when they first started to work. Too

often, those impressions carry over into their concepts of leadership, and may be in conflict with the values of the casino enterprise. They may be autocratic, demanding, or too permissive because that was how they were once supervised. Effective leadership training teaches supervisors how to instill good work habit behavior with staff. It teaches how to hold employees accountable, provides guidance on sound communications skills, and how to keep employees apprised on how they are doing.

Create and Maintain Healthy Work Environments – Since the start of the pandemic, tribes have sought ways to mitigate the spread of COVID-19. Many tribes chose to ban indoor smoking. Today, 157 Indian casinos continue to have prohibitions on indoor smoking including some of the largest and most successful casinos in the U.S. They were able to push smoking out of their buildings with no diminution in gaming revenues. One of the unintended benefits of these policies was a dramatic increase in employee satisfaction. Managers at many of those properties have stated emphatically that employees love the new, healthy non-smoking environments, and they

continue to see it as a competitive advantage in the recruitment and retention of employees. Ho Chunk Gaming, the Eastern Band of Cherokee Indians, the Navajo Nation, and the Forest County Potawatomi are some of the tribes that announced permanent bans. Others, such as Pechanga Resort and Casino, Yaamava’ Resort and Casino at San Manuel, the River Rock Casino, Angel of the Winds Casino Resort, and Mohegan Sun continue to maintain non-smoking throughout their properties despite operating in highly competitive markets.

The pandemic caused a fundamental shift in employee perceptions and attitudes. They have learned that there is value in the work that they provide and they seek not only higher wages but consistent leadership, a way to have their concerns addressed, and a healthy work environment. The days when a manager could simply tell an employee to “just deal the cards” are far removed from today’s labor environment.

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