

## Less Is More

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*How to solve the staffing conundrum*



Tribal casinos were always looked upon as the preferred employers in their communities. In many cases, they were the largest employers. Even in communities with a diverse job market, they often operated in a more stable business environment.

Tribal casino operators resisted layoffs during economic downturns, often because those downturns affected their gaming operations less than other businesses. They had a diverse set of entertainment offerings, including showrooms and lounges that supported consistent work schedules.

People in their communities saw them as good places for food and entertainment, and continued going there in response to attractive marketing efforts.

Tribes built trust with their employees because they never had to disappoint them—layoffs were rare and job security was good. Employees in turn provided loyalty for the stability casinos provided. Human resources academics refer to this as the “psychological contract” between employer and employee.

### Then It All Changed

Covid-19 forced all employers to act quickly and decisively to reduce operating expenses in the face of a dramatic, once-in-a-lifetime shutdown. Because of the speed needed for this response, many companies acted without a comprehensive or well-thought-out plan.



Across the United States, companies laid off employees who never thought they would be laid off or need to collect unemployment insurance. That psychological contract and its sense of security that casinos had with their employees was shattered without much thought to the long-term impact this experience would have.

Add to that, the methods used to lay employees off were often also poorly planned: taking the time to talk to employees in person, staying in touch with them throughout the layoff period, and generally

showing that they cared were best practices many failed to enact.

Unlike most commercial operators, tribal casinos remained very cautious about restarting. They laid people off, advising them that they would get a better deal with unemployment insurance and Covid supplementals. In many cases they assisted employees with completing the paperwork needed to enter that process. While well-meaning, the unintended perception and consequence was that the psychological contract between employer and employee was irreparably damaged.

## Then Things Got Competitive

Laid-off casino workers discovered that their monetary value in a competitive labor environment was worth more than what they had been paid in the past. Add to that the wage increases introduced by Walmart, Amazon, Target and other large companies in response to living-wage initiatives in many cities and states exacerbated the situation for tribes that were slow to react to the quickly changing compensation landscape.

Those workers also realized that there were no true guarantees in life when it came to their relationship with their employer. They discovered that their worth as an employee was higher than they thought pre-Covid, and they also discovered that they preferred working for someone they could trust.

While it is mostly anecdotal, the companies that sought to preserve some of that psychological contract by engaging in emotionally intelligent practices were also the ones that had little or no trouble quickly getting back to pre-Covid staffing levels. And the laid-off employees seeking to get back into the job market could see that: help-wanted signs and postings told the story.

As casinos started to ramp up to pre-Covid business levels, operators discovered that laid off employees were not eager to come back to work. While a small portion of former employees continued to enjoy extended supplemental unemployment benefits and others chose to retire, a lot of people took the time to explore other employment opportunities.

What they discovered was that a lot of businesses were eager to hire new employees, and they were willing to pay more, provide more flexibility in work schedules, and benefit packages that rivaled what casino operators offered. In other words, things got competitive. The emotionally intelligent practices that many employers adopted looked and felt very attractive too.

## The Problem With Trying to Get a Job at a Casino

Every tribal gaming enterprise has an obligation to adhere to hiring standards defined by their individual tribal gaming commissions as well as the policies created by tribal governments. Criminal background checks, mandatory drug testing, and even character references were historically required for one to be considered for a position in a casino, and rightfully so.



Casinos—commercial and tribal—operate in a cash environment, and putting people to work in such environments required that they be trustworthy. Unfortunately, these background checks are often required for all employees—not just those that worked as dealers, slot attendants, in the casino cage, and in the count room.

Another challenge for many casino operators is in the way they recruit candidates, and the time it takes from the moment an application is submitted to the day that a candidate receives a job offer.

First, a candidate must visit the casino or go online and complete a job application. Then that application goes out for review, a background investigation is initiated, and the candidate is asked to submit to a drug test. Often, candidates are asked to pay for a portion of their background investigations. The time it takes for a candidate to get a bona fide offer could take several weeks.

In the meantime, Walmart, Amazon and countless other employers were making it easier to fill out an application. Today, a candidate only needs to scan a QR code from a social media website, a paper job listing, or a sign in front of a store and be immediately directed to an electronic application form. That application can be completed on an applicant's mobile device while the candidate sits in a car in the time it takes to finish a soda.

The application can then be reviewed by human resources, and an invitation to come in for an interview sent within a day. In other words, the old days of waiting for applicants to walk into the back of the casino and fill out an application form no longer works. Nor does making applicants wait weeks instead of days to receive an offer; in that span of time, most job seekers are already working somewhere else.

## How To Solve The Conundrum

The first step in solving the staffing conundrum is to streamline the application process: incorporate new technologies such as QR codes, allow candidates to apply online remotely, follow up quickly with video interviews, hire additional staff to more quickly complete background checks (or streamline them appropriately), and commit to getting the candidates an answer quickly. Some casinos have begun overstaffing in high-attrition jobs to have the flexibility of additional workers to staff schedules in this extended recruitment time.

Another policy that needs to be revisited is drug testing. Drug testing in 2024? Really? When cannabis is now legal in 24 states and decriminalized in seven others, and Indian nations are opening dispensaries as new sources of revenue? Best practices today eliminate pre-employment drug testing and make probable cause testing the norm.

## The Onus of Past Behavior

Criminal background checks for non-gaming workers? Explain that one.

Ex-convicts represent one of the best pools of potential labor for non-gaming positions. Many just want to get a normal job, show up every day, and work. They do not want to go back to prison.



Many come to a new job fully trained. Incarceration taught many of them how to work in production kitchens. They know food sanitation and safety; they learned how to follow standardized recipes, how to feed thousands of people, how to work under pressure in a high-volume kitchen, and how to do it every day of their lives. That is what prison taught them.

They also know how to clean and maintain a property. Porters, housemen, kitchen cleaning, maintaining public areas, landscaping, carpentry, painting; they know how to do that work and

would rather do it for a reasonable wage than do it in an institution. The challenge is to convince tribal gaming commissions to alter their policies. These non-gaming jobs are perfect for people seeking a second chance in life. Many gaming companies are finding this a great new source of candidates and are having great success with those formerly incarcerated individuals that they hire.

Local workforce investment boards can work with casino human resource departments to identify the best candidates for recruitment. They have a vested interest in sending candidates with the greatest chance of success. And studies have proven that incarcerated individuals who have earned and are seeking a second chance in life will do nothing to ruin that opportunity—they become dedicated, hardworking, and loyal.

The old methods of recruitment and hiring no longer work in today's labor market. In many communities, casinos are no longer the preferred employer. And the old methods of recruiting and managing employees, where managers told employees to leave their problems at the door, also do not work in competitive labor markets. The companies that have adjusted to this new environment are the ones solving this staffing conundrum today.

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