

# PRODUCT, PROCESS AND PEOPLE: THE THREE FACTORS OF OPERATIONAL SUCCESS

By Stephanie Maddocks



I am often asked to help casino management identify new technology systems. When I inquire about the purpose of the new system, it is usually described as one that will “fix all the problems of the current system” or “make (insert any department name here) stop complaining about ‘the system.’” I occasionally hear, “We need something that is regulatory compliant.” I rarely hear, “because this system always works and is always reliable so we have to have it.” (System manufacturers take note here — this is a huge opportunity.)

It’s my follow-up question that always gets me in trouble: What’s wrong with the current system? This opens the flood gates of frustration and provides a laundry list of issues with the current system — it doesn’t do this, it doesn’t fix that, our staff has to jump through hoops like circus animals to make it work. The list goes on and on and on. But within any ranting session, there are three themes that are easily identified: product, process and people.

In the beginning, everyone thinks picking the product is the hard part — the long and boring demonstrations (really, how many times do we need to see how to add a user into the system?); the smooth sales people who promise the world (“Yes, we can do that,” noting the use of “can”) while the development staff sits in the back of the room and groans; and the multi-page system analysis document, a.k.a RFP, that attempts to compare apples to oranges to bananas in a meaningful fashion. After all this due diligence, the team is left with slick marketing brochures, their personal interpretation of what the sales person presented, and a document with check marks, scores or doodles on it.

It’s a fact that most competing systems offer the same basic functionality, with a few differentiating bells and whistles thrown in to make system selection more interesting. During the system review process, these differences result in spirited debates about which bell or whistle is the most important and rarely result in consensus about the favored functionality that each department just has to have lest it not be able to do its job. In the end, a winning system is selected and some members of the selection committee are upset and frustrated because they didn’t “win” their battle. Yet the war is just beginning.

This war can be simply defined as the War of Change. And this is where the process and the people come in. My wonderful trainer friend, Ann Simmons, constantly reminds me that adult learners carry a lot of baggage and are adverse to change, no matter how much they say they love change. Her perfect example is to ask executives to move their trash can for a week and see how frustrated they get by the pile of wadded paper that ends up on the floor. Something as simple as changing the process of rubbish disposal can lead to at least a few four-letter words and at best a smile every time one more piece of paper ends up on the floor, with a little frustration thrown in the middle.

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Processes define what we do every day. Within a casino, many processes are governed by regulatory requirements, minimum internal control standards, and the company's core values and standards of conduct. However, systems and processes are often at odds. When a new system is brought in, the first words are often, "Well, this isn't how we've always done it" — a sure sign that there will be implementation challenges ahead. New system installations are an opportune time to review policies and procedures to determine what is working versus what is not working and how these processes can be modified to accommodate a changing technology environment.

To tackle the giant binder of policy and procedure that at least theoretically defines how a company does business, there are a few proactive ways to gain consensus and moderate the change effect. First, ask the people who actually have to live the process if it works. I'm guessing that every slot floor person or table games supervisor has an opinion about how business runs today, and many have constructive suggestions about how to modify the current operation to make it better. Asking their opinions and involving the team from the beginning is that first important step toward consensus.

After you've identified the list of what is good and what is not so good about how the business currently runs, define the best practices. This will be the list of all those things that in a perfect world create a smooth and efficient operation. Once Nirvana has been identified and you take some time to bask in the glow of efficiency, stop and define the real processes. Real processes are how the real world works, with all the ups and downs of a real business. Sometimes real processes will be the same as best practices, but more often than not, the real processes describe reality within the operation.

Now it's time to make a choice. You have the list of real processes and how you want the operation to run. The decision point is whether to work within the confines of the system or outside of it. If there is a process that doesn't fit how the system works, you have begun to create frustration and confusion, and the team will be back to its adverse-to-change ways. Like the guru going to the mountain instead of expecting the mountain to move, it is always easier and faster to modify operational policy and procedure to fit the system rather than expecting the system to change to accommodate the way your company wants to do business. This is not to say that you should abandon your best practices or real processes; it's just time to compromise and work within system-defined parameters. Of course, if the system is grossly wrong in its methods, you can always request a change to the system, but be realistic about your expectation of receiving that update in a satisfactory timeframe.

Now that the system has been selected and the processes defined

and refined, it's time to take it to the people. People are the most important segment of this equation because they are the ones who will ultimately implement the system and the processes to a successful outcome. Introduce change in a fun and familiar way. One casino I've worked with held a party in the employee dining room, complete with t-shirts, trivia games and colorful decorations, to announce the upgrade of their casino management system. It generated enthusiasm for the processes, and they also had computer demonstration terminals set up to allow people to become familiar with the new products at their own speed. Other

casinos have announced changes in employee meetings and with one-on-one sessions to soften the process.

After the announcement of change, the next important course of action is to practice the change. For policy and procedures, take a small group and run through how the revised process works. In the days of coin drop, there was once a hard count team that had to submit its drop route to the state gaming agency and was required to follow that route. The team members never practiced the route with the slots and chairs set up, so they learned the hard way that the carts did not fit through the path they had drawn. The first drop day after the casino opened was not fun. Not only did they have to remove chairs, but they also had to move a row of slot machines to allow the carts to fit down the aisle. Practice, practice, practice.

After practice, the kinks are ironed out and it's time to teach the change. Adult learning needs to be fun and interactive, just like child learning. I don't know many people who enjoy sitting through four-hour lectures about MICS compliance or Title 31 policy and procedure. Let your training staff have some fun when introducing and educating change. Spend a little precious budget money on tools and rewards that make the training an enjoyable and dynamic experience. Repetition helps, so plan on multiple training sessions and various training support materials posted throughout the casino. Create the ability for the team to ask questions in an informal setting and always tell them why you are making the change. Understanding the "why" helps people embrace change.

Now that the education part is done, live the change. Reward behaviors that represent the desired outcomes of the change process. When people do something right and are recognized for it, they are much more likely to repeat that preferred behavior. Recognize, too, that part of living the change is to continually reevaluate the product, processes and people to ensure that they all still meet the business' needs.

Living the change means continuing a cycle that guarantees both more change and the effective use of product, processes and people within a culture that promotes change. This is the foundation for operational success. Now I just have to go find that perfect system ...



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