

Case Study:

Wynn Casino Las Vegas – Hi-Touch, Hi-Tech & Big Numbers

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¹ Please see: Automating Employment Management: TRM, the New Generation



Case Study

By Allan Schweyer

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The Wynn Resort & Casino complex on Las Vegas' famed "strip" is right now, "the biggest capital construction project on the planet" according to Chief Human Resources Officer, Arte Nathan. And to run it, Nathan's team will hire over 10,000 cooks, cleaners and senior executives in less than four months between November 2004 and February 2005.

To get there, over 125,000 people will be considered for the jobs. Not just screened, processed, tracked and managed, but actually considered. If Nathan gets his way, and he almost always does, every applicant will leave the Wynn Casino recruitment experience "feeling they like they were a guest at the hotel".

But with numbers like these and an unyielding deadline to open its doors April 28, 2005, consideration for applicants, particularly those that won't be offered interviews, seems like the first thing Wynn might throw out the window. After all, rooms at the casino

will average over \$300 per night and the focus is on high rollers. It's not as though the average applicant for one of Wynn's positions is likely to be a prize customer.

But that doesn't matter to Nathan or his long-time boss, Steve Wynn. Neither does Las Vegas' rock bottom unemployment rate of 3.5%. Wynn, with Nathan at his side, has been launching new casinos in Vegas for more than 20 years and he's never had a shortage of people wanting to work for him. Why? "Everyone counts. If you don't need them now, you might in a month or a year". Wynn's attitude is reinforced by all of its managers and supervisors. It's part of the culture in other words. Remarkably, once Wynn put out its "Now Hiring" sign, rivals like MGM Mirage went on record saying they expect up to 23% of their workforce to defect. Says Wynn, "Treat people right and your short, medium and long-term talent issues will resolve themselves".

2 Lynne Morton, *Integrated and Integrative Talent Management*, 2004 The Conference Board, p.4

That advice may sound good in principle but it's up to Nathan to pull it off; and faster than ever for a project that is under more scrutiny than any casino project in recent Vegas memory. Wynn and Nathan have hired fast with a personal touch before, at the Mirage, Bellagio and Treasure Island, but the timeframes were longer and the projects smaller. This time, technology would have to be leveraged much more than ever before. Nathan knew that the risks included losing the personal touch and becoming like most other high volume recruiting operations – numbers first, people second.

HE DID IT HIS WAY

When Bellagio was launching in 1998, Nathan's team used an online application system that ran on the company intranet. Applicants came into the recruiting center and filled out their applications online – this was designed to get the information directly from the applicant into the database, and to eliminate the need for filing and retrieving paper applications. But the solution was limited. Because all applicants had to visit the casino in person, daily volumes were severely limited. Nathan knew that this time, the application had to run on the Internet as well.

In 2003, Wynn invited 12 vendors to Las Vegas to showcase their e-recruitment solutions. Nathan provided each with a detailed description of Wynn's high touch approach, a twelve-step process refined over the previous four large recruiting projects he had run. Significant changes to any part of this process in order to adapt Wynn's system to a vendor's solution, were simply not an option. Nathan wanted to know if any of the vendors could adapt their systems to Wynn's process. In the end, he chose a vendor that pledged to deliver a solution that was flexible enough to work exactly the way he wanted it to. "Simply stated, we made our decision based on their CEO's promise and his commitment to us".

So far, Nathan's strategy was going according to plan. 1. Stick with a solid process; one that has worked on a smaller scale four times in the past. 2. More thoroughly automate that process. Know what you want and tell the e-recruitment vendor what to build, not the other way around. But Nathan also knew he had a lot more work to do while the solution was being

built. He realized he needed a team that understood the way e-recruiting was done. His 200+ hiring managers had to leverage the back-end tracking component in order to monitor and manage the volume of applications that were expected. Everyone was trained to use the manager's workbench that allowed the managers to know where each of their applicants were throughout the process.

SO WHAT ABOUT THE PEOPLE?

Wynn's reputation, its "employer brand", was earned by paying personal attention to everyone – by striving to make successful and unsuccessful applicants feel good about the Wynn recruitment process. This time, though, things were going to be different. The anticipated numbers were so high and the time so short that technology had to be a big part of the candidate experience. In the past, initial screening had always been part of a process that was done face-to-face at Steve Wynn's casinos. The news, good or bad, was delivered by someone in the company who shared Wynn's philosophies about how all applicants should be treated. Now technology would take over this role. But how can technology let a person down easily or soothe a bruised ego?

Today, the solution asks applicants these basic questions: (1) Have you done the job you are applying for, (2) what is the level of your experience, (3) how long did you stay in your last three jobs, (4) what types of places have you worked and (5) what is your level of English competency. The solution also asks

³ Please see Dave Ulrich and Norm Smallwood's article "Capitalizing on Capabilities", June 2004, Harvard Business Review

several technical questions related to each specific job (there are 750) that become part of the overall e-assessment. The system automatically scores the assessments, rates the applicants and lists them in ranked order. This makes it easy for the managers to review them in order of qualifications.

Wynn's use of on-line screening doesn't stop there, Nathan enlisted the support of his subject matter experts across each line of business in the casino to formulate a second set of questions designed to predict success in each type of occupation. The questions are multiple choice and each answer is weighted, resulting in a second score for every applicant that passes the first round of on-line screening. At this point, each candidate has a rating score that is used to support hiring decisions. According to Nathan "All of the questions had to be job related to improve their validity, and each now has to be reviewed for impact – we are carefully monitoring the entire selection process to make sure that there is no adverse impact caused by either the questions or the process".

But the question remains, how does Wynn keep its hard won reputation as an employer that treats all applicants with respect and with a personal touch? Remember, Wynn draws a solid line from its reputation as an employer of choice to its bottom line results and overall competitive advantage. Arte Nathan explains it this way:

"We have a call center that receives an average of 1200 calls per day, and an email center that answers an average of 400 messages a day. We also have a very cool Internet café that serves as our recruitment center – it has 48 computers and 40 interview pods. We also have attendants in the parking lot greeting and directing applicants when they come for scheduled appointments, and greeters at the door to welcome everyone and wish them well when they leave. Throughout the center we display 7 foot pictures of executives modelling employee uniforms. We created an upbeat and exciting ambiance that makes everyone feel welcome and appreciated".

Says Nathan, "In the end, we will reject more than 85,000 applicants, and I will personally explain and sign each letter in an effort to help them all through that process. Employers need to understand that technology is just one of the tools to use in the recruitment process – there really is no substitution for the role of caring people. We have 90+ staff in HR greeting people,

SIDEBAR - PORTABLE TIPS FROM WYNN:

1. Wynn had an effective recruitment process, its problem was scalability and so it needed to leverage technology better. Don't automate until you understand what works for your organization and can articulate it in a requirements document and script it for vendor presentations.
2. Incorporate your vendor's advice on best practice where it makes sense but hold firm on what you know you need to make your unique processes work.
3. Prepare your organization for change. Select easy to use interfaces, particularly for hiring managers, and ensure that everyone knows how to use them.
4. Prepare necessary components, like screening questions, well in advance. Subject matter experts must develop legally defensible screening questions that accurately predict success on the job, sometimes a lengthy, iterative process.
5. Wynn assigned two full-time people for a year to help manage the change and keep the project on spec. They were paired with two full-time developers from their e-recruitment technology partner. Nathan advises that you have to be willing make that kind of commitment.
6. Don't sacrifice hi-touch for hi-tech. Wynn saved enormous time and money through automation but it redirected some of the savings toward the human elements that ensure a positive candidate experience.



helping managers, answering phones and doing all the back end stuff that goes on in a large recruitment process like this – the technology just makes completing our tasks easier.”

Nathan agrees that the solution also plays a part. “We were able to use the system to automatically generate emails as well as letters, and that sped up the interaction between us and the applicants. I think that most of the applicants appreciated using the Internet to apply (94% did so online versus a projected 70%), schedule appointments (same percentage) and track their own status.”

All in all, applicants appreciated the flexibility the technology afforded and the combination of a high-touch experience, especially if they chose to apply in person at the hiring center. Nathan’s deployment of greeters and his personal letters to each of the unsuccessful candidates, is helping to bridge the gulf that is often created when technology replaces people in processes that can be emotional for many involved.

BOTTOM LINE

Nathan’s results so far are remarkable. To date, Wynn has received 97,000 applications in 12 weeks. It has conducted 27,000 first interviews for 3,000 guest contact positions in 4 weeks, and 17,500 second interviews for all positions. Beginning mid-February, it will make job offers to 10,200 candidates.

Asked what difference the technology has made so far in this project compared to the others he’s run, Nathan says: “Each casino opening has been different, they happened at different stages of the technology revolution, and in each I tried to use the latest techno-tools. At Treasure Island we used scanning for the first time, that didn’t work. That got us started us on the quest to find a real solution. At Bellagio we succeeded in getting the application capture process down but we really didn’t have an integrated manager workbench. This time, we achieved 90% of our goals with the technology.”

BUT WILL IT TRAVEL?

What was accomplished at Wynn Casino was not a technological breakthrough, it was more a matter of being creative and

executing to scale flawlessly. Nathan’s success lies in the marriage of hi-tech and hi-touch. According to Nathan:

“We get lots of comments about how the gaming industry is different, or that a huge recruitment effort like this is atypical – I disagree. HR is the same in any industry. My three years in HR Outsourcing with PWC convinced me of that. Over the course of a year HR departments recruit lots of people, all of whom have to be recorded, tracked, managed and made to feel valuable. That takes technology and the right ‘people mindset’, in my view.”

“97,000 applications in 3 months is a huge wow – at one point we were accepting 15-20 per minute. The managers loved the workbench and their ability to know where each applicant was, in each of the 40+ stages, in ranked or alphabetical order. It streamlined their world immensely. The online scheduling that was custom designed for us was amazing, at some points we were able to accept 9,000 schedule entries in a day – that was a real wow.”

“Applicants appreciate the control and flexibility, and I believe they also appreciate the overall experience – whether we hire them or not”.

Note: An additional 5,000 people will be hired using the system next year for a 2,000 room expansion. Efforts are also underway to translate it into Cantonese for use in a new Macau Wynn Casino project scheduled to open in late 2006.



About the Author

Allan Schweyer is the executive director of the Human Capital Institute, a membership organization, think tank, and educational resource for professionals in recruiting and talent management, based in Washington, D.C. Schweyer, who is based in Montreal, Quebec, has been at the forefront of human resources technologies since 1994, when he pioneered e-recruitment solutions for Human Resources Development Canada. In 1999, he co-founded the Online Recruiters' Association of Canada. In 2000 and 2001, he worked with Reed Business Information in Boston to build information portals for technical professions while attending graduate school at Harvard University. Most recently, Schweyer was a senior researcher, analyst and consultant with HR.com and the editor of HR.com's staffing vertical. His first book, Talent Management Systems, was published by John Wiley & Sons this past February. Allan writes a weekly article on talent management for Inc.com

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