

Spring 2008

## Incentive program for the Cherokee Nation Enterprise floor staff

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<http://dx.doi.org/10.34917/1740009>

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Incentive Program for the Cherokee Nation Enterprise Floor Staff

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## PART ONE

### Introduction

Cherokee Casino Resort (CCR) projects a budget and spends millions of dollars each year on developing, designing, implementing, and executing promotions for table games. Each promotion is specially designed to influence a certain behavior or affect a certain type of guest. Most of these promotions are set up to increase the number of casino visits the guest would make from their routine behavior, or to get them to gamble at a higher limit or for a longer period of time. To make table game promotions more effective, Cherokee Casino must have its employees be the front line sales staff to advertise promotions and create interest and awareness.

The dealers and pit bosses have the most face-to-face contact with table game players than any other Cherokee Casino employee. Often dealers are concerned with maximizing hands per hour or with tips from guests during their time of play. Getting dealers to use the time to let guests know about specific promotions the property is offering would create more customer acceptance of the promotion and in turn would increase the amount of revenue for the casino. Additionally, dealers have the ability to create a strong database-marketing department, by watching for players that do not have or do not use their players' club card. The key element is to educate the floor staff on how to create these types of interactions.

#### *Statement of Purpose*

Many promotions at Cherokee Casino Resort are mass marketed and are not designed for a specific guest. Often guest are unaware of the promotions that are taking place while they are visiting the resort. The Floor staff is not making the effort to promote products that Cherokee Casino Resort invests in. Floor staff can increase the amount of participants with their day-to-day contact with the guest. The purpose of this paper is to create an outline, structure, and

implementation timeline for an incentive program that can be effect in motivating the staff as well as increase revenue for the casino. Additionally, how these types of incentives could motivate the top to bottom performers.

### *Justification*

The number of guest that has been predicted to attend a promotion for table games has been low for the past year at Cherokee Casino. There is a need to motivate the floor staff to support promotions and product. Developing an effective program that will influence the dealers and create an increase in profits could be essential to all table games programs in the future. With this program, it will create a positive work environment and encourage teamwork.

### *Constraints*

The constraints for this paper will be limited to information that is related to the market in which CCR is located. Many incentive programs are designed for sales cultures or implemented in larger companies than CCR. The ability to know how effective the implementation of the program will be will remain unknown for three to four month after the start of the program. Additionally if the program is not effective it will be difficult to analyze if the program was a failure or if Cherokee Casino staff did not implement the program correctly.

## Part Two

### Literature Review

#### *Introduction*

The executive management committee of Cherokee Casino Resort (CCR) has asked the corporate cards marketing department to focus on creating revenue for table games versus focusing on poker. The challenge has been how to raise guests' awareness of the promotions that are being offered. The promotions are developed to create revenue based upon a given theoretical participation level from the guest. The main downfall of these promotions is a lack of participation from the guest. The marketing staff has observed during various promotional times that the major complaint was that guests were unaware there was a promotion, and that the floor staff was not providing information about the promotion to the guest.

#### *Floor staff as marketing tool*

The floor staff has the most direct contact with the guests visiting Cherokee Casino Resort. These individuals have a strong influence on the guest and can guide and direct these visitors on events taking place at the resort. The floor staff should be made an integral part of the marketing plan, therefore more money needs to be spent on motivating the employees who matter the most, those who interact with the customers (McMaster, 2002). Using the floor staff as a marketing tool could create an advantage in marketing by increasing the probability that a guest will hear or receive information on a promotion. Smart marketers see every interaction with a guest as a prospect to cross-sell and acquire new customers ("Under the Microscope", 2008). Using the floor staff as a word-of-mouth marketing tool can be a great asset due to its high impact on the customer. Word-of-mouth marketing is a key element in getting the message out. A lot of business is expanded by word-of-mouth (McCann, 2001). A key ingredient to help

floor staff promote products is to create talking points so they can be more comfortable and confident when interacting with the guest (Bartlett, 2006). If the employee has sufficient information or a ways of creating an interaction with the guest, it will make the process go efficiently and instill confidence for the employee to create the interaction.

### *Incentive programs*

Incentive programs have become increasingly more popular over the past ten to fifteen years. The major driving force in an incentive program is to put a focus on a specific trait or behavior. People have been responding to incentives, positive and negative, from the inception of time (Levitt, 2005, track 5). If an employee does an exceptional job on a project or task, he/she is often rewarded with praise, bonuses, promotions, or other types of incentives. If the same employee fails to deliver on a project, he/she could face criticism, write-ups, loss of their job, or other negative consequences.

Incentives are the bedrock of the present lifestyle. Most everyone responds to incentives, which are nothing more than a trade off. Therefore, this type of program is simply a means to have employees do more of good things and fewer bad (Levitt, 2005, track 5). For CCR, this type of program will have the floor staff make a conscious effort in promoting marketing ideas and concepts to the guest. The major objective behind the incentive program is to pay the front line staff for their performance and tie the incentive to the current marketing goals of that promotion (McMaster, 2002).

### *Getting Started*

When building an incentive program two fundamental questions that must be asked are: what are businesses goals, and how do these goals fit within the existing market environment. Once these questions have been addressed it is best to include members from the department building

the program as well as other key departments needed to help build the structure (Setting Goals, 2006). Tapping into the diversity of the groups experience by using various departments can help answer fundamental questions and begin a process to achieve the goals. When this group is together developing an incentive program, five guideline points should be kept in mind:

1. Stay focused. Keep objectives simple and specific. Keeps the issues that the organization is trying to solve at the top of the list. Additionally, keeping the objectives as simple and clear as possible makes it easier for the employees that are participating in the program.
2. Think achievement. Focus on goals that can be obtained by the employees. If the goals are unachievable then a business's incentive program is doomed to fail.
3. Make it measurable. For any incentive program to work and work effectively, the goals must be measurable. Plan the evaluation process as the measurement shows the success of the employees and the program.
4. Take care of timing. When building a program it is essential to make sure that the goals that are set for the employees are adjusted to fit the seasonality of the market. It would be unwise to set the same goals during the peak season as one would during the seasonal lulls.
5. See the synergy. To make sure the incentive program is successful the company must make sure that the objectives work well with all departments and they do not hinder one department or another (Setting Goals, 2006).

Smith (2007) broke categories into: Strategic Planning, Understanding the audience, Fact-finding & involvement, Program structure, and Communication and training. Two of the elements were not addressed by the above guideline. Those two are, understanding the audience and communication and training. These elements should be added to help create a more



effective program. Understanding the audience allows the company to better select the award that will be chosen as the incentive for the program. Communication and training is vital, because the company must be able to determine what information should be relayed to the employee. How and when the message is to be delivered is crucial for generating excitement for the program.

### *Budget of an Incentive Program*

One key to success in building a quality incentive program is making sure the cost of the incentive program doesn't outweigh the revenue that it generates. At the most fundamental level an incentive program should at least pay for itself. Since this program will be a first at CCR, there will be a lot of estimation based on past performance and future projections. A general guideline for this type of program is to set aside 5-10% of the profit the program generates or 1% of the total sales to run the program. The amount of profit or cost savings that an incentive program generates should cover the cost, but it will be difficult to determine until the end of the program. When the programs start, the funds should be allocated: 1-5% to research and training, 5-15% to administration, 20% to promotion, and 70-75% to awards (Chapter 3, 2003). There might be a need to put additional funds at the start of the program to help with the kick-off of the event to get the information out and to build up morale in the employees.

### *Setting Goals*

Research has shown that goal setting is not only more efficient than other alternative methods, but just may be the major instrument in which other incentive programs influence motivation (Latham & Locke, 1979 p.68). Setting the proper goals for the frontline staff has to be done in a near science like fashion. When setting goals one doesn't want to set a individuals goal to low so that reaching the goals would be too easy and not a challenge for the employee. It

is also important not to set the goals so high that the employee cannot meet the goals and thereby creates the feeling of despair in reaching the set objectives. One of the biggest determinants in an incentive program is setting goals so high that most employees believe from the launch they do not have the possibility at winning (Kovaleski, 2005 p.22). The optimal point in setting the goal is a level greater than what the employee would normally do without an added incentive, but the goal must be somewhat challenging to maximize the benefit for CCR and get optimal output from the floor staff. It has been found employees assigned hard goals perform better than those assigned moderate or easy goals (Latham & Locke, 1979 p.69). Management should sit down with their staff individually and work together on deciding what their goals should be. This gives managers the ability to raise the goals for the employees that underachieve and set obtainable goals for those that have high ambitions. Employee inclusion also gives the employee of a sense of ownership in the program (Streuling & Cooper, 2000). This gives the employee the feeling that they are setting the goals and have a voice in to what is happening, rather than being forced to hit an arbitrary number given to them by management.

### *Age Demographics*

The age of an organization's employees has an effect on how to build an incentive program. Age Demographics are broken down into three basic segments: the World War II generation, the Baby Boomers, and Generation X (Streuling & Cooper, 2000). These different generation gaps have different values and priorities for incentives, but a company must be careful not to stereotype a person to a specific group or trait (Reward, 2006). It is also difficult to build a reward program without understanding the company's employees (Smith, 2007).

The World War II generation believes that individuals cannot accomplish more than a group, and are very hierarchical when viewing management. They are undemanding with jobs

they have become at ease with. They have a traditional work ethic and the needs of the organization come before the individual (Chiles, 2005). This generation also tends to resist changes in technology, because they don't know how to use it. This group is happy with the gold watches when they retired (Streuling & Cooper, 2000).

Baby Boomer's discarded their parents' perspective on common good and teamwork. They have a love/hate relationship with management, and enjoy working autonomously (Streuling & Cooper, 2000). This group has a competitive work ethic, loyalty to the company and wants recognition for their job performance (Chiles, 2005). They also want incremental appreciation for their time (Streuling & Cooper, 2000).

Generation X or (Gen X) keeps their loyalties to people rather than the business (Chiles, 2005). Gen X employees take care of themselves to get ahead. They tend to think that their elders are too serious. They have great motivation to succeed and want growth opportunities in their job. This generation also wants personal awards or things that create a more flexible work environment, such as time off or vacations (Streuling & Cooper, 2000).

### *Awards*

The awards chosen for an incentive program will determine the influence that the program has on employees. The awards chosen are the incentive for the employee to participate in the program. It is vital that the awards are suitable for the employees (Kovaleski, 2005). In an incentive program the greater the employee's income the greater the award is needed to ignite excellent performance. As a baseline, the value of an award needs to be at least 2-5 % of the employee's annual income (Chapter 3, 2003).

There are four basic types of awards in an incentive program: merit increases, incentive pay, service awards, and rewards and recognition (Streuling & Cooper, 2000). Most companies

today do merit increases. This type of recognition is typically done on employee's 12-month evaluation and increases their annual income. Incentive pay is given to employees for reaching a measured goal of some kind. Once the goal is obtained within the set time frame, the employee is honored with some kind of award. These awards can range from cash or other items of monetary value to trips. Service awards are items such as plaques and watches. Personal recognition is for immediate gratification, such as movie tickets and gift cards to restaurants (Streuling & Cooper, 2000).

#### *Awards Comparison*

Merit based systems reward employees for performance and time on the job by raising their base earnings. Even if management and their staff are comfortable with this system it has two downfalls: the personal cost over time is inflated, and it does not reward those employees who are the top performers anymore than any other employee. Service awards and recognition do not have the same affect across the different generations; therefore do not motivate all the employees. These programs usually only have one winner and can create friction between employees. Rather than have many winners the company creates a very large percentage of losers. This in effect makes the incentive payout system better, because it rewards the employee for contributions and quality of work that increase the profitability of the business. It also takes the focus away from competing against other, but rather against the goals that the employee has set for his/herself (Kovaleski, 2005 p.22). Surveys conducted before and after incentive plan launches showed that over 70 % of all staff were happier with an incentive program (Streuling & Cooper, 2000). Of these types of programs, cash-based programs were noted as having more effect for increasing sales and improving customer acquisition (For most goals, 2006).

### *More from Everyone*

Since an incentive program is designed to push an employee to meet his/her own goals, it gives everyone the chance to succeed. Most experts concur this technique of setting individual goals can be an outstanding way to improve the average of the group rather than just a few (Voyles, 2006, p.14). If the program was set up only to reward the top 10% everyone would assume to know who those employees are and most would not even try to succeed thinking that they could match their performance.

Rewarding just the top performers is not the most effective way of building an incentive program because those individuals would have performed at the same level with or without the incentive program (Kovaleski, 2005 p.23). Voyles (2006) noted that a 10% increase from the middle 70% of the staff could improve the businesses performance by 7%, while the company's top 10% would have to improve by 70% to have the same 7% impact on performance (p.13). By raising the performance of the middle performers, the group as a whole becomes more effective and raises the confidence of the group benefiting the company in the long term (Povery, 2004). It was also discovered that incentive programs increase the retention of top performers and improves the performance of other workers (Measuring employee, 2007 p.71).

### *The Launch*

Bassett & Scofidio (2005) said when rolling out an incentive program for the first time getting the word out to employees is the key point. If the launch of a program is unsuccessful the participation level will be turned off from the very start (p. 33). The two elements that need to be communicated during the launch of a program are: the employees must understand what is in it for them, and what they must do to qualify for the program. Having upper management present during the launch is a must, because it shows that they have an invested interest in the program.

The other component to a launch is making sure that the event is memorable and that it puts the employee in a receptive state of mind (p. 34). Remind the employees that the company does not have to offer this program, but the company would rather share the company's success with the employee (Measuring Employee, 2007 p.68).

### *Summary*

For CCR to have an effective and profitable incentive program there are many different key elements that must be considered. Of these key elements, understanding the audience, the employees of CCR, and developing communication and training will allow the development of an incentive program using the floor staff as a marketing tool. Incentives are proven to motivate and increase productivity there by generating revenue. For this reason, an incentive program is ideal for creating the atmosphere that CCR wants. Making sure the incentives are in line with the workforce and creating the appropriate amount of funding to support this program are two components that will create buy-in from the employees. The increased participations level of the employee, the direct, measurable result will be raised awareness of promotions to all casino guests. The higher the participation level of players in promotional events will result in measurable, increased revenue for the organization.

## Part Three

### Introduction

Many factors must be taken into account when building an incentive program for the employees. The items addressed will be: How has Cherokee Casino Resort (CCR) ran table games promotions in the past? How can the company build off of the current promotion to build an incentive program? How can it benefit CCR, the employees, and the guest? Is the program profitable?

#### *The Current Promotion Execution*

CCR executes a table games promotion once every quarter, the first quarter starts October 1<sup>st</sup> and running till December 31<sup>st</sup>. During the first quarter, CCR will run a promotion called the 99K Power Punch. The major objective of this promotion is to increase the number of trips a guest would make to the casino during a specified time frame. This program is mass marketed by print ads and radio spot buys. The advertising only tells which days the promotion is being offered and the number of trips needed to qualify for the promotion for the guest.

The parameters of the promotion consist of the guests receiving a “punch card” (see Appendix A) at the players club that the guest keeps with them during the promotion. On specific days, such as each Tuesday and Saturday from X date to Y date, the player can come to the casino to receive punches for the promotion. These promotions usually run for six weeks. To receive a validation on the guest card, they must come in on one of the specified dates and place a bet on any table game. The games that constitute as table game are: Blackjack, Ultimate Texas Hold’em, Three Card Poker, or Roulette. Once the bet has been made and the hand has been played out, the guest will hand their card to the dealer who punches a hole in the designated spot for that day. At some point during the remainder of the day the guest must swipe their card

at the players club and receive a voucher, which validates the punch for the day. The guest will continue the same process until he/she meet the minimum number of punches to qualify. Once the guest has met the qualifications, they must return the punch cards to the players club to be verified. After all cards have been verified the \$99,000 will be divided evenly amongst all eligible guests. The guests will pick up their winnings at the players club at a specified date. CCR participation in these types of promotions has ranged from 50 guests to just over 500 guests. CCR database has over 26,000 unique guests that play table games at least once every two months. The current Power Punch promotion requires 200 players to qualify for a promotion to break even on marketing expenses. Adding the incentive program will require 500 players to qualify for the table games promotions to break even. CCR's target goal will be to obtain 10% of the total table games players for the promotion.

### *Implementation*

CCR table games department has observed that the majority of the table games players do not go to the players club on a regular basis. With the current implementation system two problems exist: 1) The guest can only get a card at the players club, 2) The guest must know to ask the players club representative to join the promotion and receive the punch card. With the current setup of how the program works, most table games guest would never find out about the promotion unless they hear about it on the radio and/or see the publication adds.

### *The Base Incentive*

Finding the value of each guest that participates in the promotion will determine how much of an incentive can be given to each employee. Hypothetically, if the average of each guest that completed the promotion were worth \$50, a 10% reinvestment to the employee would not be unreasonable. This calculation must be made on the front end, even if it is estimated, so



that the employee knows what is in it for them. This award would be relevant for much of the floor staff, which would entice them to participate in the incentive program. The managers of each department will have an incentive to make sure their employees are participating by awarding them 20% of what their employees earn. An example being if an employee has 10 completed punch cards, the math would be  $10 \times \$50 \times .10 = \$50 \times .2 = \$10$  in incentive money from a single employee that goes to the management of that particular department. With this formula CCR is taking a total of 12% profit and reinvesting it with the employees if all employees reach their goals. The total amount of this money does not have to be set aside because it generated revenue, but CCR should start with a budget in place in the event that the players worth is less than the \$50 per guest.

#### *Instant Gratification*

The majority of the floor staff at CCR is between the ages of 23-35, instant gratification should be an incentive that should be added to this program. Not only is this a way to reward the employee, but also it keeps the incentive program in the forefront of their thoughts. The instant gratification can be anything from a gift card to a local business to getting to pick first on scheduling of shifts. An example of this would be management telling the staff that the first person to hand out X number of power punch cards to guests will receive Y prize for that day/week.

#### *Goal Setting*

With the baseline of the incentive program set, the management of each department must now set goals with his/her staff. These goals will determine how much of the incentive the employee will receive at the end of the promotion. The goal is a trigger to reach the 10% reinvestment. If an employee reaches his/her goals they receive the full 10% value that was set

in the basic incentive. If the employee does not reach his/her goal the employee would only receive 5 % of the incentive. The goal setting pushes the employee reach a specific number of completed punch cards to receive the full benefit of the program. Management must meet with each employee to calculate what each individual's goal will be. As mentioned earlier, it is important to have the employees input on setting their goals to create buy in from the employee.

### *The Big Prize*

To maximize the productivity of the entire floor staff, a large prize should be offered in order to motivate the departments to achieve a specific goal as a group. The prize can range from a weekend getaway for 2, or concert tickets, etc. The program could work in this manner. If 80% of the staff in a particular department reaches their goal, then all employees who meet the goal qualify for a drawing for this specific prize. Employees can earn extra drawing tickets for each 5-10 completed punch cards above their goal. This would create an incentive after the employees reach their goal to keep working the promotion. It would establish teamwork within the department for trying to get everyone to reach their goals. In the event the winner of the prize does not want the prize it can be redeemed at 60% of its total value or whatever CCR announces as a purchase price at the onset.

### *Launch Party*

To let the employees know about the incentive program, CCR need to make an impact with the employees. CCR should hold a launch party at the resort 45 days prior to the launch of the incentive program. This time frame is not too far out that it is forgotten about by the employees, and not too close that it doesn't allow management the opportunity to set down with their staff to set goals. The event should be held at a time when most employees can attend. This will be held on property for cost saving and allows more employees to attend the event.

While not all employees can attend due to day-to-day operations, the majority should be able to. The best time for this would be early morning during the middle of the week when casino business is the slowest. This would allow third shift employees getting off work and second shift employees to attend. Management would have to make arrangements for first shift. During this event the atmosphere should be one of excitement for the employees. Skits and games would be a good icebreaker for the event. Executive management should lead the event to show its importance. The purpose will be to provide the information needed and motivate the staff to participate for pay and prizes. Management will prepare and anticipate any questions, concerns in order to keep the event positive.

#### *Program Execution*

Between the 45 days of the launch party and the start of the promotion, management should sit down with their staff individually and set goals for the promotion. The goals will be recorded by employee badge numbers by management in an excel spreadsheet and sent to marketing until the end of the promotion. To assist in the event, Marketing will supply each department with badge cards that will be handed out to the employees that contain a list of talking points to initiate conversations with the guest and guest benefits. Marketing will also provide each department with power punch cards to be handed out to each employee. The only change on the card will be a line to include the department ID number and the employee badge number. This allows marketing to determine which department to send their final numbers, and allows management for each department to calculate the total number of completed cards for each employee at the end of the promotion. Management will reinforce during pre-shift meetings about the incentive program and how it benefits the employees. Department managers will also make sure that employees have all their marketing material during these meetings.

Once the employees have their punch cards, they will mark on the designated lines their department ID and badge ID on their card so they are ready to be handed out to the guest. On the day the promotion starts employees will begin interacting with the guests about the promotion letting them know how the promotion works. They will hand out their power punch cards to all guests that wish to participate in the promotion. Once the promotion has ended the guest will return their completed power punch cards to the players club, where they will be collected and sent to the marketing department. Marketing will then verify all the punch cards for their validity and then separate them out by department.

Marketing personnel will calculate the number of valid entries for each employee and place this into a master spreadsheet to determine the payout for each employee and the departments total for meeting their goals. Marketing will also determine the percentage of each department that met their goals and the number of drawing tickets for each employee. The department managers and payroll will receive the final counts from marketing. Checks will be issued for payroll for the amount that each employee qualified for, and sent to the department managers. This will allow managers the opportunity to thank their employees for their hard work and/or coach them on how to be more successful for the next quarter's promotion. At this point, management can set new goals for the next quarter's promotion based on the employee's performance and adjusting for seasonality.

In the event that a department has 80% of their employees reach their goal marketing will execute a drawing to determine the Grand Prize Winner. Marketing will let executive management know who the winner of the promotion is and who the top performers were. Executive management will then send out a companywide e-mail along with documentation in the pre-shift reports congratulating these individuals.

### *Budget*

In the state of Oklahoma casinos must set aside a portion of the win/loss they accrue to be given back to the players. This money is called the Players Pool. The \$99,000 that will be awarded to the guest comes from this money and is not counted in the calculation of expenses. The budget for this program during the first quarter of its launch will be \$13,350 (see Appendix B). This program has a total of 15.35% reinvestment, which is slightly higher than the 5-10% suggested. However the justification for this is the program has a ROI of 294% and revenue of \$74,650. Also, 60% of the expenses are set up in prizes as opposed to the 70-75% suggested. This can be changed after the first quarter due to not having a Launch Party and there can be historical data to pull from the first quarter's promotion.

Breaking down the numbers per line item:

- Base Incentive: 2000 is the targeted number of guests that qualified during the promotion, \$50 is the value per guest, 10% is the incentive invested back to the employee
- Mgmt Base Incentive: The total of the incentives received by the floor staff is \$10,000, 20% of the employees incentive the managers receive
- Instant Gratification: the number 5 is the number of department participating. \$20 is value of the incentive, the number 6 is the number of weeks the promotion runs
- Big Prize: \$1000 is the value of the prize, the number 2 is for a winner and a guest
- Launch Party: \$750 is the expense of executing the launch in-house
- Total Revenue: is the 2000 guest at a \$50 dollar value
- Promotional Expenses: this is the amount of money that is spent on radio, print ads, punch and badge cards
- Total Expenses: the sum of the incentive total and the promotional expenses

- Gross Profit: income generated less total expenses
- % Reinvested: incentive total divided by Income generated
- ROI: Income Total Revenue divided by Total Expenses

<b>INCENTIVE PROGRAM BUDGET</b>				
	<b>Targeted # of Participants</b>	<b>Customer worth</b>	<b>Incentive %</b>	<b>Total incentive to floor staff</b>
<b>Floor Staff Base Incentive</b>	2000	\$50	10%	\$10,000
<b>Mgmt Base Incentive (20% of floor incentive)</b>				\$2,000
<b>Instant Gratification</b>				
<b>(\$100 * 6 weeks)</b>				\$600
<b>Grand Prize (2)</b>				\$2,000
<b>Launch Party</b>				\$750
<b>Incentive Program Expense Total</b>				<b>\$15,350</b>
<b>Promotional Expenses (signage)</b>				\$10,000
<b>Total Expenses</b>				<b>\$25,350</b>
<b>Total Revenue (2000 @ \$50)</b>				\$100,000
<b>Gross Profit</b>				<b>\$74,650</b>
<b>% Reinvested for incentive</b>				15.35%
<b>ROI</b>				294%

These numbers do not calculate the non-gaming revenue, slot revenue from those players that participated in the promotion, players that participated and did not qualify, and those employees that did not meet their goal and in return would only receive the 5% incentive compared to the 10% for meeting their goal.

### *Conclusion*

Based on the expenses and revenue that this promotion could produce, this would be a valuable tool for CCR to implement. The return on investment alone shows that this promotion is

viable and has room for readjustments for errors and still be profitable. This program is also capable of being changed fairly easily to meet the requirement of the promotion and seasonality of the guest.

### *Recommendations*

There are many factors about the program that will need to be monitored and adapted as the promotion continues on. Since there is no baseline for goal setting the first quarter may have under or over inflated goals set for the employees. This will have to be closely watched since goal setting is vital to the incentive programs performance.

One issue that could arise for this incentive program is the floor staff may choose not to participate at all in the program. The one item that this might be attributed to, is some employees come to work just to do the bare minimum and receive a paycheck. Therefore, it might be prudent to tie the incentive program to the employee performance appraisal. This would have an effect on both the motivated and unmotivated. If a motivated employee wants a better year-end pay raise or promotion, he/she would work harder on reaching their goal during the incentive period. The unmotivated employee however, would have to put forth effort on reaching their goal, because it would also affect his/her pay increase as well as their employment with CCR. This could all be explained in the individual goal-setting meeting with the employee.

Management will offer motivation, not threats for productivity.

### *Summary*

An incentive program will provide many benefits to CCR, the employees, and the guest. The incentive program would create better interaction between the floor staff and the guest. This would also create more awareness for the guest of table games promotions. The program would create teamwork amongst members of each department. With the focused effort on a common

goal, it will result in creating a friendlier environment for all. Since no other casino in Oklahoma's is currently offering this type of program, it would be an added incentive for getting new employees and retaining the current employees. Most importantly, the incentive program will create additional revenue for the casino.



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Appendix A

Attach  
promotional  
Voucher  
here

**KNOCKOUT YOUR SHARE OF \$99,000**



**Tuesdays & Saturdays • Nov. 27 - Dec. 29**

Punch	Punch	Punch	Punch	Punch	Punch	Punch	Punch	Punch	Punch
★1	★2	★3	★4	★5	★6	★7	★8	★9	★10
NOV. 27	DEC. 1	DEC. 4	DEC. 8	DEC. 11	DEC. 15	DEC. 18	DEC. 22	DEC. 25	DEC. 29

**It's super easy! During the 10 days of the promotion, all you have to do is get at least 6 punches on your Power Punch Card for your share of \$99,000!**



**Play any table game - Blackjack, Ultimate Texas Hold'em, Three Card Poker or Bonus Roulette - and you'll get a punch on your card.**



Punches are earned after the first hand of table games play. Deadline for turning in completed punch cards to Players Club or Promotions Desk is 12:01 am, Jan. 1, 2008. Cash vouchers will be issued from 11 am, Jan. 7 to 10 pm, Jan. 20. See Players Club, Promotions Desk or CherokeeCasino.com for details. Must be at least 21 years of age or older to participate. Valid only at participating Cherokee Casinos. Management reserves all rights and is not responsible for lost or misplaced cards. Punch Cards are non-transferable. One card per person. CNE employees and immediate family members are not eligible for promotion. Know your limits. Gambling problem? Call (800) 522-4700.