Strategizing for Change: Widespread Program Adoption to Increase Employee Engagement & Business Metrics



How MGM Reduces Environmental Impact & Improves Employee Retention via an Enterprise Engagement Platform



MGM overcomes the effects of a recession through positive behaviors that impact both water, waste & energy use and bottom line revenue

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Executive Summary

MGM Resorts International (MGM) is a global leader in the hospitality industry and a WeSpire customer since 2013. MGM uses WeSpire's platform to support their MY Green Advantage program — a company-wide corporate initiative to engage employees to live more sustainably and drive positive impact in their home, work, and community.

The following case study highlights how MGM successfully launched their WeSpire solution to all 62,000+ employees resulting in significant environmental and bottom-line benefits. Specifically, the study explains how MGM uses the platform to:

- Increase repeat customers
- Improve employee attraction and retention
- Reduce their environmental impact

The Strategy and Implementation sections outline how MGM strategically launched the program to successfully maximize employee adoption. Results & Success Metrics highlights MGM's success in terms of environmental reductions, associated dollars saved, and employee adoption and impact.



Background

As a forward-thinking leader in hospitality, MGM Resorts took an innovative approach responding to the challenges it faces being headquartered in Las Vegas. Not only did MGM need to positively impact energy and water

conservation; but also high employee turnover and retention issues, which are typical to the industry.

MOTIVATION FOR USING WESPIRE

Increase
 repeat customers

Increase reductions in water, waste & energy

Improve employee turnover & retention metrics

FUN FACT!

MGM has the lowest turnover & highest retention in the industry¹ When the recession hit in 2008, Las Vegas felt it in spades. Businesses decided against attending or hosting conferences, and vacation dollars evaporated. The impact was felt throughout the city. From 2007 to 2010, unemployment spiked an astonishing 245%; annual visitors dropped 4.7%; hotel occupancy was down 11%; and gaming revenue fell a staggering 31%, from \$8.4B to \$5.8B.³

As the economy started to recover, MGM CEO and Chairman, Jim Murren knew they needed to look for even more creative ways to manage costs while growing the business and winning customer loyalty. He saw three key levers that needed to be addressed.

> "If we don't have an engaged and enthused workforce, we cannot create the kind of environment that will keep people coming back. Happy guests are our best marketers."²

JIM MURREN MGM CHAIRMAN AND CEO

STRATEGY: 3 LEVERS TO EMPLOYEE ENGAGEMENT 1. Positive Actions

Recognizing that employees are their greatest assets, MGM decided to focus on enabling positive behavior change to help reach corporate goals.

CHALLENGE

- Increase
 repeat customers
- Improve
 employee turnover &
 retention metrics
- Increase reductions in water, waste & energy

SOLUTION

MY Green Advantage

BENEFITS

- Measure impact by business unit and reach their target of 20% reduction in energy usage by 2020
- Justify decision-making for an overhaul of their engagement program
- Unite the workforce and leverage the collective engagement of employees

Over 80% of the 62,000+ MGM employees are hourly workers — including housekeepers, casino floor workers, janitors — without a company email address, let alone company desktop computer. As a result, MGM initially approached their employee engagement strategy as most companies do — leveraging traditional forms of one-way communications, which Murren now refers to as "lecturing." After little progress, MGM searched for a new solution.

Enter WeSpire, a cloud-based employee engagement platform. The platform has all of the key ingredients MGM requires: data-driven, relevant, fun, and mobile. Importantly, the content extends beyond work, to include community and home-based actions, which MGM recognizes as essential to engaging their workforce.

In conjunction with WeSpire, the team at MGM launched their customized version of the platform, known as MY Green Advantage, to their entire employee base. According to Sarah Moore, Director of Sustainable Operations, surveys indicated that while employees appreciated the company's green efforts, they were unclear on how they could play a role.

Moore explains, "MY Green Advantage drove home the point: this was an investment we were making for our employees personally, to help them better understand their impact on living and working greener."

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IMPLEMENTATION 2. Wide-Spread Adoption through Launch & Ongoing Promotion

From the beginning, MGM was 100-percent committed to using WeSpire for a successful employee engagement program. Management understood that one

key secret to success was widespread adoption throughout the company. To accomplish this, WeSpire creates custom projects and actions for MGM's platform so that it truly reflects their brand and values.

Understanding that a successful platform launch requires internal awareness, MGM also spends a significant amount of time and resources to ensure everyone company-wide knows about the platform through strong communications and internal marketing. Since MGM has numerous large properties — such as Aria, with 4,000 rooms and nearly 8,000 employees — it was important to tailor their launch for each property. Over the course of their first year, MGM deployed the MY Green Advantage platform property-by-property, averaging about one new property launch a month. This ensured that MGM dedicated enough resources to implement a successful launch at every site.

MGM structured each launch as a property-wide event. To raise awareness about the new program, posters were hung throughout every property — each featuring a different

action employees could learn about and take on the new MY Green Advantage platform. Additionally, senior leadership supported the initiative: Cindy Ortega, MGM's Senior Vice President for Corporate Sustainability, led each property launch in partnership with the Property President and members of each property's Employee Engagement Team. To attract employees to sign-up for the new platform, and to promote the platform's fun and social aspects, on launch

day all new registrants had the opportunity to take photos in an onsite photo booth with their colleagues.

"We achieved our goals by opening our employees brains, and also by opening their hearts."

JIM MURREN MGM CHAIRMAN AND CEO

PROGRAM DESCRIPTION

MGM's MY Green Advantage is a fun, interactive, social application that challenges employees to be greener at work and at home. With over 800 actions and 75 badges employees can earn, MY Green Advantage continually gives employees the opportunity to track their environmental impact and understand how to take action at home and at work.

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16,000+ users

25%

of their total

workforce

[Wide-Spread Adoption Continued]

In addition to a successful launch, MGM's company-wide effort on continuing to promote the program is instrumental to their success. The MY Green Advantage platform is featured in weekly employee newsletter communications, and new projects with fresh content specific to each property are released every few weeks. These ongoing efforts help keep employees engaged and coming back to the platform and have resulted in about 300 to 500 new platform registrants every week.

Understanding the importance of employee engagement to the success of the business, MGM now includes the percentage of employees on the MY Green Advantage platform as a Key Performance Indicator (KPI). Property Presidents have a 2015 goal to achieve 20% of their property workforce on the platform. As a result, in just over a year MGM has over 16,000 registered employees throughout all 17 properties, equivalent to 25% of their total workforce.

RESULTS 3. Success Metrics



Every investment at MGM must have a defensible business case. It's no different for sustainability and employee engagement.

To achieve their target of 20% reduction in energy usage by 2020, MGM knew they needed to harness the power of their employees. WeSpire provides data on all the top metrics, enabling company leadership to understand the level of business-unit participation, as well as how they are collectively doing against their aggressive environmental reduction targets. The WeSpire platform provides the numbers management needs to justify an overhaul of their engagement program.

Today the MY Green Advantage platform is available for employees in all 17 MGM properties, with participation rates exceeding their initial oneyear goal of 15%. In terms of environmental impact, the platform has tracked over one million employee actions taken at work, home, and the community in five environmental categories: Emissions, Energy, Water, Fuel, and Waste. Results show that in one year, savings surpass \$600 per user.

\$600+

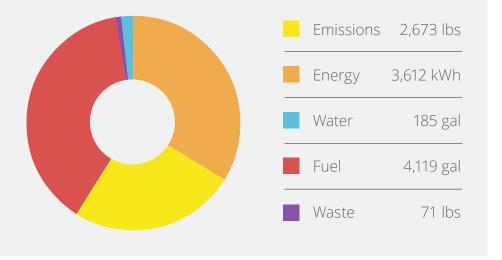
per user savings

*JeSpire

[Success Metrics Continued]

Soon after launch, MGM quickly realized that the impact from the program goes beyond their sustainability goals. MY Green Advantage has led to a greater sense of connectedness and improved employee morale. The ability to access

TOTAL SAVINGS PER USER: \$600+



the platform at home via smart phones and tablets, or at work via the kiosks set up in employee break-rooms expands the opportunities for employee interactions.

The Sustainability Team's ability to highlight projects that employees care about fuels the program success. Using the "Top Projects by Savings" report from the WeSpire platform, MGM can continue to learn about their employee base and their interests, further informing future projects and initiatives.

Considering that entertainment and gaming are integral to MGM's business, they decided to create teams for the platform based on their 17 properties. Not only does this structure help ignite friendly competition, it also facilitates data analysis on a property-by-property level to discover unique localized trends and results.

Through the process, the MGM Sustainability Team has received hundreds of recommended actions from employees to help improve the company's impact.

As an example of their

TOP PROJECTS

- 1 Green Commutes
- 2 Business Travel
- 3 Travel Light
- 4 Green My Ride
- **5** Easy Peasy
- ability to use the platform for two-way communication with their employees, MGM took that input and created a custom project: "The People Spoke." — housing all of their recommendations. This unique project not only improves performance and participation, but also provides an opportunity to recognize employee contributions. Said Sarah Moore, "**It was a win-win-win!**"



Conclusion

MGM serves as a model for how to structure, launch and promote new employee engagement platforms. Keys to MGM's success include:

MULTI-STAKEHOLDER BUY-IN

From the CEO down to hourly workers, MGM understands that success relies on every level of staff support.

STRONG INTERNAL COMMUNICATIONS & MARKETING

Frequent promotion generates awareness and can highlight types of actions and information. This helps set expectations for new registrants, and shows employees that this is a platform they will want to use.

BRAND REPRESENTATION

Custom and fresh projects keep users coming back to the platform to keep learning and making impact.

CELEBRATE THE IMPACT

Highlighting employee accomplishments and impact — using measurable data — helps employees feel recognized for a job well done, and shows that their collective actions add up.

So what is the next phase for MGM? Now that the business value and employee interest is proven, MGM plans to leverage the platform to go beyond environmental impact to reach other corporate responsibility goals, and engage MGM guests.

WESPIRE is the employee engagement platform that empowers forward-thinking global organizations to reach their greatest potential. With the only configurable library consisting of hundreds of action-based programs backed by applied behavioral science, WeSpire enables individuals and entire organizations to drive measurable, positive impact.

Many of the world's most successful companies rely on WeSpire every day to tap the potential of their workforce.

INSPIRING PEOPLE. TRANSFORMING BUSINESS.

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Sources

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- 2. GreenBiz Webinar: How to Get C-Suite Support for Employee Engagement Initiatives. June 10, 2014.
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