

Knowing is not enough,
we must apply.
Willing is not enough,
we must do.

- Bruce Lee





AWARENESS

Awareness is not enough

Embedding responsible growth in corporate culture

Mike Randall – RG Expert GII and President of Portfolio Solutions

Outline

- What is responsible growth?
- Have we been experiencing responsible growth until now?
- How to embed RG in our culture
 - Planning
 - Research-based decision making
 - Strategy
 - Supply chain elevation
 - Transparent organizations
 - Talent and culture
 - Tell a better story to ensure continuous improvement
- Lessons from each other
- Where do we go from here?

Who's in the room?

- Lottery
 - RG
 - Sales/Marketing
 - Management
- Regulator
- Treatment providers

Some assumptions

This session is not designed to debate whether we should have gaming and whether, or not, gaming activity within in any of our jurisdictions should grow (that's a whole other session)

- The social impact of gaming has a place in a responsible growth conversation. – but not to the point of whether activity or growth should continue.
- Growth in the sector will happen – with or without us
- What we have traditionally called gaming is expanding (beyond sports betting, casino and lottery)



Responsible Growth

Is it real?

Responsibility in Gaming

- Huge uptake in mid 2000s
- Canadian and European lotteries led a global commitment to RG
- US, Asian and other countries followed
- Became a regulator directive and an “expectation” by government and key stakeholders
- And... gambling organizations continued to grow (increased profits, expanded channels new lines of business)

But was it
responsible
growth?



Responsible growth?

- Revenue has grown. BUT PPS and prevalence studies would indicate we haven't moved the needle on minimizing harm, problem play or reducing social issues.
- The one area gambling organizations have been most responsible for - Gambling Literacy – is the area that scores the worst on the majority of PPS studies.
- And our big focus on preventing children from playing – those kids from the early 2000's are now adults and score lowest on the PPS.

So are we growing
responsibly or just talking
about responsibility while
we grow?

Good Growth Is

Inclusive

Generates wealth rather than...
...ing market share from one...
...y to another (what's called 'zero sum...
...n'). Innovation drives 'real' growth by...
...viding solutions that meet people's needs...
...nd aspirations e.g. affordable sanitation for...
...the urban poor creates new a win:win for the...
...company and the community.

Growth that benefits a few at the expense of many just isn't good. Inclusive growth benefits everyone. For example, mineral economies need to balance creating an environment in which businesses thrive with a desire to make sure communities benefit too.

Responsible

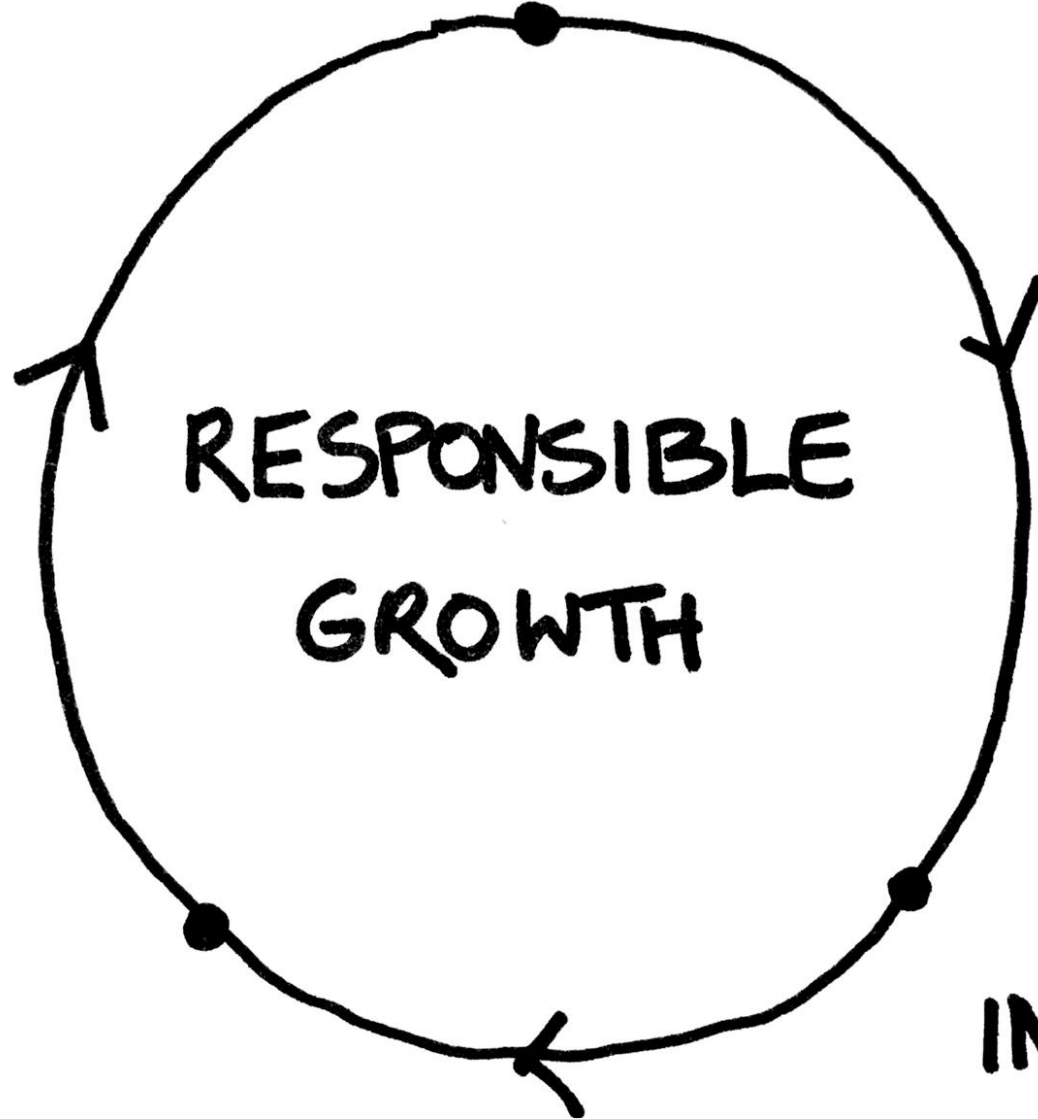
Responsible growth looks at the total impact of doing business, rather than just the profits from business. Financial return can't be gauged in isolation from the tax contribution, environmental impact and the effect on community stability, health and prosperity.

Lasting

Lasting growth invests in the future and considers returns over the long-term. For some, meeting short term targets (e.g. based on share-price increases or dividend payments), shows that a company is in shape and on track. But if this is the only investment opportunities others will think it should look ahead six months. Will they commit to invest returns over ten years and the vision?



INITIATIVE



IMPACT

INFLUENCE



Doing well by doing
good

First Slido question

My organization promotes responsible growth as part of its value proposition

Second Slido question

My organization's commitment to responsible growth is....

Maybe the problem lies
within our corporate
culture and corporate
leadership.

Maybe the problem is that the
“REAL METRICS” have nothing
to do with responsibility and
everything to do with growth.

Third Slido Question

Does my organization's culture promote growth or responsible growth?

Fourth Slido question

Does my organization implement a pay cheque incentive culture?

So how do we embed
responsible growth into
corporate culture?

Responsible Growth Begins with purpose

Why do we exist?



“Having a higher purpose in an organization is not about economic exchanges. It reflects something more aspirational. It explains how the people involved with an organization are making a difference, gives them a sense of meaning, and draws their support.”

Creating a Purpose-Driven Organization

- [Robert E. Quinn](#)
- [Anjan V. Thakor](#)

Authentic purpose

- Every company needs to pin down “why we do what we do.”
- Purpose will guide every aspect from recruitment to customer management to product development and sales.
- In order to achieve sustainable success, companies must repeatedly re-examine their sense of purpose and make sure the organization serves it well.
- When a business has a clear vision, it’s easier to create products and services of value.

Purpose of
Canadian gaming
organizations...



“To provide government-regulated and responsible gambling products to those who choose to play”



“To responsibly and efficiently manage games of chance in a controlled and measured fashion”



“Ensuring responsible gaming, liquor and cannabis choices for the benefit of our citizens”



“We operate
gambling
responsibly to
benefit all citizens”



“Proceeds are dedicated to sport, culture and recreation organizations to benefit communities throughout the province.”



“To generate revenue for the Province; stimulate and enhance economic development; and promote high standards of responsible gambling—all in the best interests of the Province”



“We strive to make the greatest possible contribution to the economic and social well-being of our province”



Do these missions inspire
gaming organizations to even
define what responsible growth
is and what it could look like?

Do these missions really
reflect corporate focus
and organizational
priorities?

Is there a disconnect with what we say we do versus what we're expected to do?

Mentimeter Question #4

What are some ways we
can do that?



Planning



OUR VALUE CHAIN

WHAT WE DEPEND ON

PURPOSEFUL PEOPLE

NATURAL RESOURCES

FINANCIAL RESOURCES

INTANGIBLE ASSETS

TANGIBLE ASSETS

SUPPLIERS

STAKEHOLDERS & PARTNERS

SUSTAINABLE DEVELOPMENT GOAL



VALUE WE CREATE

CONSUMER BENEFITS

TOP & BOTTOM LINE GROWTH

IMPROVED HEALTH & WELL-BEING

SUSTAINABLE DEVELOPMENT GOALS



REDUCED ENVIRONMENTAL IMPACT

SUSTAINABLE DEVELOPMENT GOALS



ENHANCED LIVELIHOODS



Unilever

Research

How do we know if we are really growing responsibly?





Strategic goals







Elevate your supply chain

Can we have responsible growth if we're working with partners who aren't themselves responsible?

TRANSPARENCY

Commit to transparency



Invest in Talent
that will shift
our thinking



LONASE



Email: cmt@lonase.sn

How do we hire today?



Do we focus on purpose?



Do we take the time needed to ensure people understand culture and how they will fit in a play a part?



Do we create safe spaces where people can raise concerns and where there are no wrong ideas?



What else?

Reward RESPONSIBLE
growth not just growth



**ONCE UPON
A TIME...**

Tell a better story



Lessons from each other

Where is it working?



Where do we
go from here?

Organization by organization
or sector driven? Is
responsible growth the
logical evolution for the
other RG?



Some questions to ponder

- Are government run gaming organizations able to implement a culture of responsible growth? Is this a private sector play?
- If so – should private operator models be considered to ensure responsible growth moving forward?





Some 'Responsible'
growth advantages

According to a recent study by PWC, 86% of millennials would consider leaving a company if their social responsibility values no longer matched their own



So where do we
go from here?



IO Sustainability Research

- Companies that integrate responsibility into their business vs those that run responsibility programs separately;
 - Enhanced sales by as much as 20%
 - Increased productivity by 13%
 - Reduce employee turnover by half
 - Increase the company's share price by up to 6%
 - Create a reputation dividend worth up to 11% of market capitalization
 - Reduce financial risk, the cost of equity and the cost of borrowing





With great power comes
great responsibility

