



## Business Transformation & Operational Excellence World Summit Nomination for:

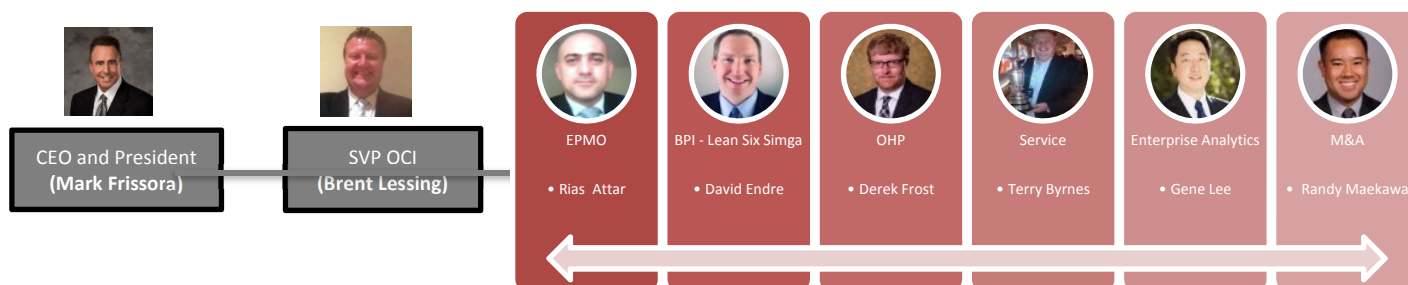
- Best Achievement of Operational Excellence in Hospitality & Construction
- The Platinum Award for Organizational Operational Excellence

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Caesars Entertainment Office of Continuous Improvement (OCI) and Enterprise Project Management Office (EPMO)

## Synopsis:

- Caesars CEO Mark Frissora gathered the top leaders in the company in 2015 and created the organization's Strategic Architecture. Within this strategy there is a fundamental Cornerstone to **"Institute Continuous Improvement"**. In that same year, Mark gave directions to build a department to address this important topic.
- **Vision:** Support the transformation of Caesar's into the most profitable Gaming / Entertainment company in the world by instilling a structured approach to project management and building a continuous improvement culture.
- **Mission:** Improve customer satisfaction, employee engagement and financial returns through program management of strategic initiatives and by creating a culture of continuous improvement across the organization.
- **Caesars OCI and EPMO Structure:** The Office of Continuous Improvement perfectly aligns the efforts within Caesars to find areas for improvement, utilize data-driven mindset to analyze and find solutions, plan and execute initiatives and ensure delivery while tracking benefits through the EPMO, enable strategic initiatives, and ensure that overall service and NPS are kept at all-time records.



- Caesars OCI and EPMO have become pivotal in achieving the company's objectives by helping to:
  - Emerge the company from bankruptcy
  - Beat the company's targets in the past three years
  - Inspire the company to adapt to a Continuous Improvement culture
  - Achieve record Overall Scores and Net Promoter Scores
  - Deliver two in-organic expansions in 2018 (Centaur and Dubai)

## OCI and EPMO Accomplishments

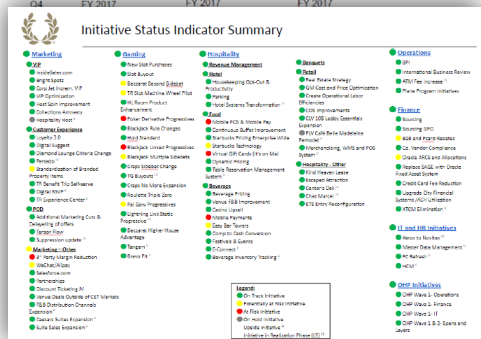
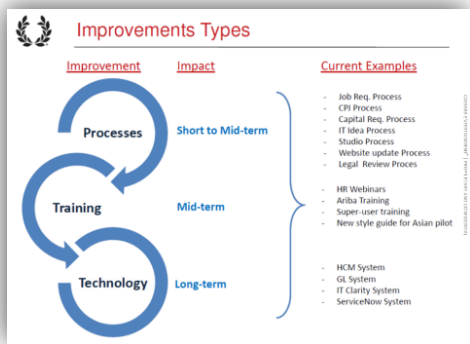
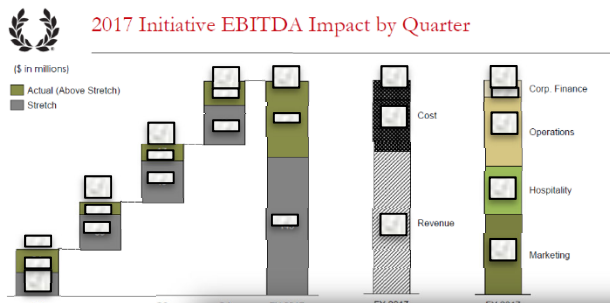
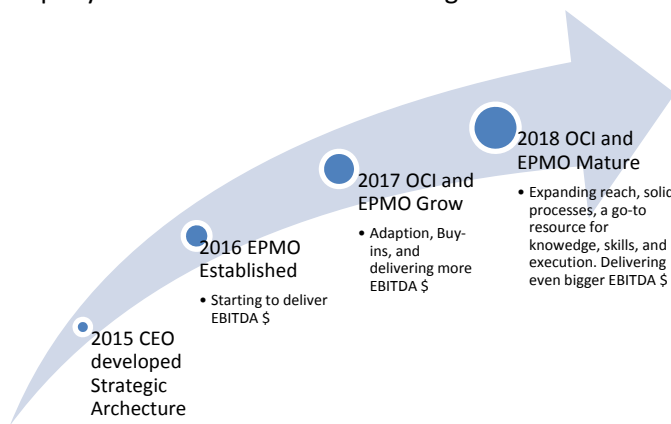
- Bridge the YOY operations gap and helped the business beat its plan over the last three years with **100-200 initiatives each year that contributed over \$500M EBITDA** between 2016 and 2018. That is **close to 10% of the company's EBITDA**.
- Relentlessly focusing on Continuous Improvement by enabling and leading initiatives that:
  - Improve service and efficiency to enhance the customer experience
  - Improve productivity through process re-engineering
  - Initiate, lead, and support projects that increased revenue YOY
- Introduced Business Process Improvement, Project Management and Change Management to Caesars and showed the importance of those practices by successfully executing the company's critical projects and
- Created an Integration Management Office to enable any in-organic growth including Mergers, Acquisitions, and Development Opportunities.
- Continued to deliver the company's top programs according to scope, within schedule and under budget.
- Reduced bureaucracy in the organization and continue to tackle this very important topic to reduce non-value added, challenge status quo, and improve processes while maintain proper governance. This is accomplished by:

- Identify the problem and the root cause
  - Fixing a process
  - Have easier access to data
  - Train people (Change management)
  - Upgrade technology
- Moving Caesars higher on the maturity curve when it comes to Continuous Improvement and Project Management mind set. The executives and employees now understand the value of utilizing BPI and PMO best practice. Through support, formal training, coaching, and mentoring, the OCI team managed to develop both technical and soft skills needed to project lead the company's initiatives while maintaining consistent methodologies.

## Impact to the Business

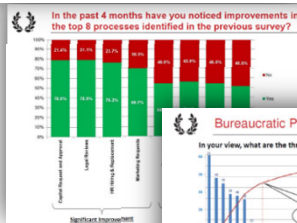
### 1) Cashflow and EBITDA Contribution:

- Delivered close to 10% of the company's EBITDA over the past three years (that is close to \$500m of incremental benefits through projects and initiatives).
- The initiatives enabled and delivered between 2016 and 2018 touched all the company's major verticals; and addressed revenue and cost opportunities

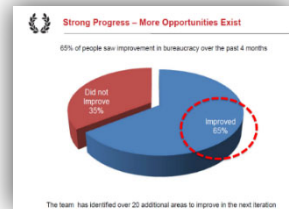


### 2) Employees Satisfaction:

- Reduce bureaucracy:
  - Identified the 25% of processes that contributed to over 80% of the problems
  - Fixing a process
  - Have easier access to data
  - Train people (Change management)
  - Upgrade technology
- Addressing bureaucracy over the past 2+ years by attacking the following processes identified as "bureaucratic by the top 350 leaders in the company):



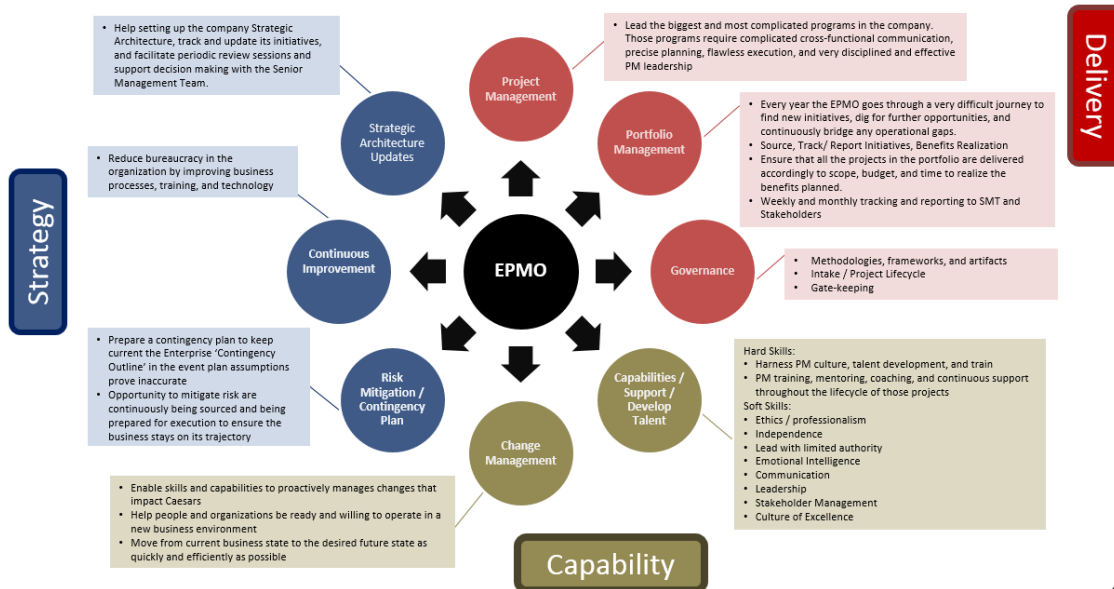
- 65% of respondents reported in Survey#2 reduced bureaucracy; another 47% felt it was further improved in Survey#4
- New vendor onboarding reduced from 60 to 5 days
- Contract Request improved from 16.4% to 82.9%
- Reduce re-processing of Capital Expense Request from 1800 to 180
- Internal Planned Communication Score improved 300 bpt YOY



### 3) Customer Satisfaction:

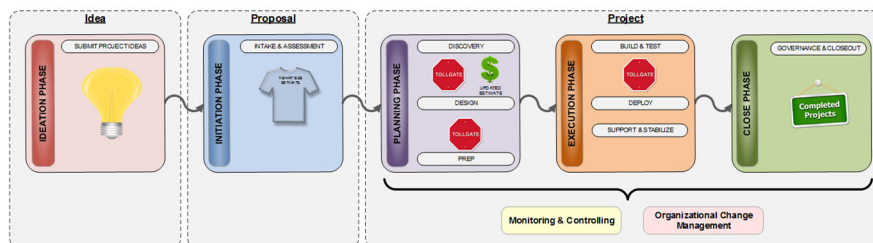
- Guest Claim Handling:
  - Led a Service Recovery program around guest incidents designed to reduce property level risk expense, reduce the number of guest incidents reported to risk management for handling, and optimize claim handling expenses through internalizing the function.
  - As a result of this engagement, property level risk expense around guest incidents has reduced by \$7.2M (40%) in 6 months
  - Guest incidents reported to Risk Management were down 49% in less than 6 months
  - Overall higher service score seen due to the reduction in number of guest incidents
- Record breaking Total Service Score and Net Promoter Scores

## Caesars OCI's EPMO Solidifies Strategy, Ensures Delivery, and Improves Capabilities



## Established a solid process to identify, select, and manage the portfolio of initiatives

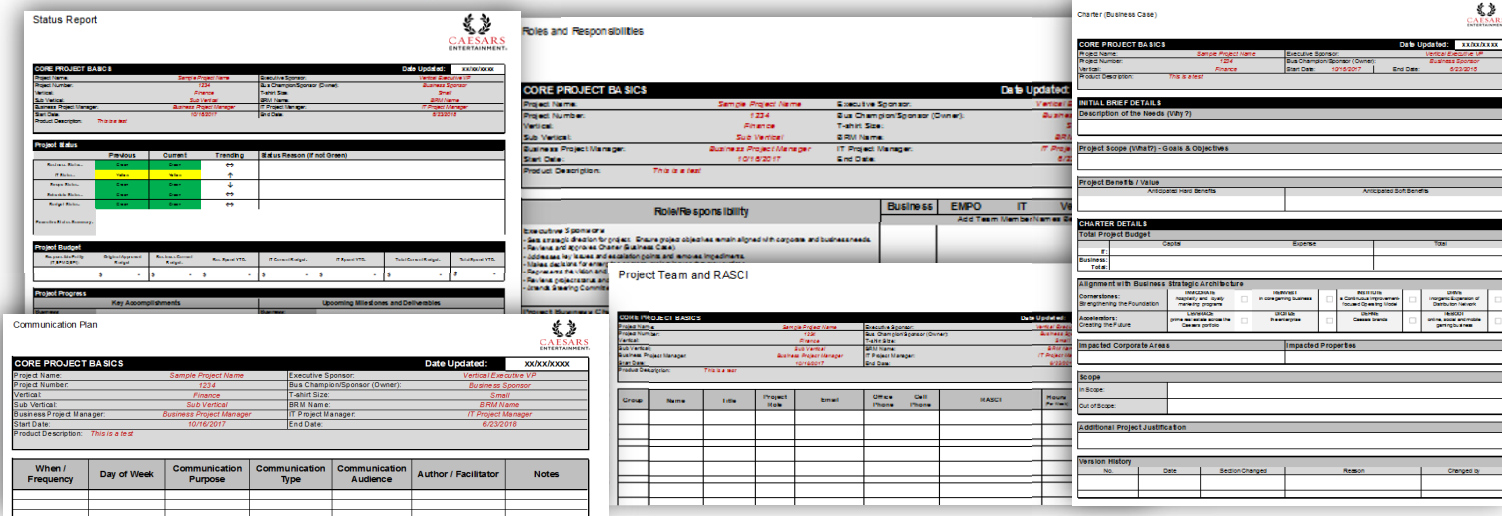
- Caesars Project Management Lifecycle:
  - Establish a project intake process. This process has been vital to ensure alignment and drive efficiency, effectiveness, consistency.



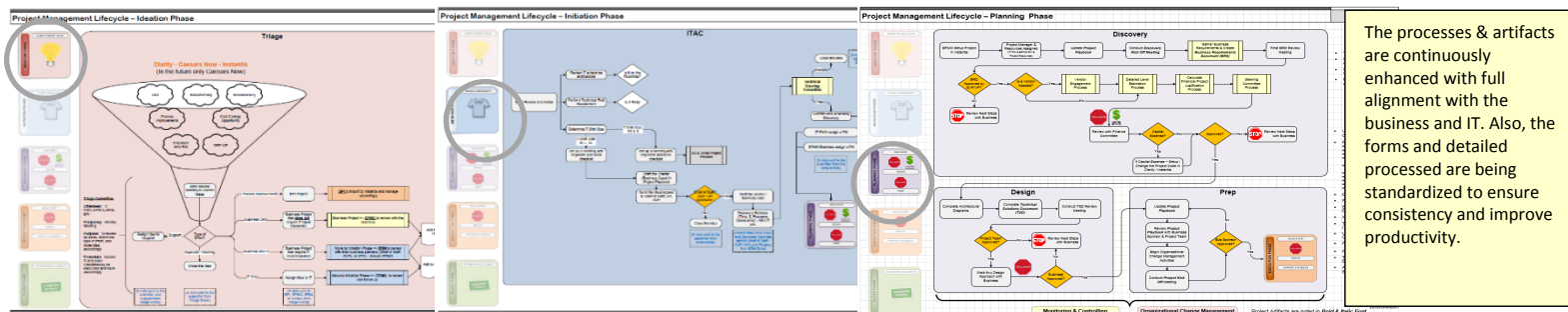
- In addition to the idea intake process that is available online, the EPMO leads multiple brain-storming sessions throughout the year to accelerate the idea generation exercise and turn some of those ideas into projects with significant EBITDA benefits.

○ Caesars Project Management Artifacts

- The EPMO standardized the tools and artifacts utilized by the Project Managers throughout the company: Charter, Project Plan, Communication Plan, Governance Plan, RAID Log (Risks, Actions, Issues, Decisions), Stakeholder Analysis, Procurement Plan, HR Plan, Roles and Responsibilities, RASCI, Lessons Learned, Change Management Plan, Testing Plan, Training Plan, Go Live Plan, PCR Form



○ Caesars Initiatives Lifecycle Process Flow



Training, Talent Acquisition, Retention, and Development

- OCI’s Business Process Improvement managed to train hundreds of Green Belts and Thousands of Yellow Belts in the past 2 years
- The Career growth, retention and development
  - OCI and EPMO maintain very high retention rate as the staff enjoy what they do, feel valued, and realize rewards. A quarterly Measurable Objectives and reviews ensure alignments between the staff and the leaders to keep focused on the objectives while addressing areas for improvement.
  - The department also strongly adapt an “Inspire our Best” program brought to Caesars by Senn Delaney ([www.senndelaney.com](http://www.senndelaney.com)). This program has been vital to encourage “Prioritizing Blue Chips”, “Elevate the moods”, “Be Here Now”, “Shadow of the Leader”, and other very inspiring practices.