



THE FUTURE OF WORK *PART I*

A LOOK INSIDE THREE LOTTERIES

No Lottery was spared the impacts of the COVID-19 pandemic on its workforce and customers. And as we all look to the future for work and business, PGRI asked the New Jersey, Florida and Virginia Lotteries to reflect on the past almost two years and look to the future.

WHAT ARE THE BIGGEST CHANGES YOU'VE MADE TO YOUR WORKPLACE POLICIES SINCE THE PANDEMIC?

NEW JERSEY LOTTERY

The New Jersey Lottery has 74 permanent employees as well as consultants and hourly staff. While focusing on keeping our staff, vendors, retailers and the public safe, we

still needed to maintain operations to meet our responsibility to protect the retirement benefits of those who serve our communities, including New Jersey's teachers, police officers, firefighters, and other public employees. Also, close attention had to be paid to our facilities to avoid contamination and protect the draw studios. While the Lottery never closed, the building was closed to the public.

The most impactful change made to our workplace, since the pandemic, was the ability to telecommute. The majority of staff worked from home utilizing remote

technology. Those unable to work from home included the draw team and Validations Unit. The entire staff will be required to come back to the office later this year.

A number of important changes were instituted in response to the pandemic, some of which will continue to be embraced post-pandemic because they have proved beneficial to overall operations. Those changes include:

- All in-person events were transferred online, including the Lottery's 50th Anniversary December 2020 event. We discovered that our players loved

being able to celebrate with us from the comfort of their home.

- New Jersey started licensing couriers to sell Lottery draw games in November 2019. When the pandemic shut down most of the state in the spring of 2020, courier game options were expanded to allow players the convenience of purchasing the iconic daily games of Pick-3, Pick-4 and Jersey Cash 5. New Jersey Lottery's players responded enthusiastically to the option of purchasing tickets online through a courier.
- Appointments for claims were instituted to limit the number of people in the office. Those with tickets under \$100,000 or non-jackpot winning tickets are encouraged to mail or drop off their winning tickets. Moving forward this change will continue.
- The installation of a drop box at Lottery Headquarters open Monday through Friday, 8:30 am to 4:30 pm. The drop box provides a safe alternative for those who do not wish to mail their ticket to easily and securely submit claim forms. No appointment is needed to access the drop box, and the drop box is monitored by Lottery Security Officers.
- Reorganization of the office space to ensure safe social distancing for all staff members.
- All people in the building are required to wear masks.
- All meetings are held digitally using either Teams or Zoom platforms.
- Lottery evening drawings moved from 7:57 p.m. to 10:57 p.m. daily beginning June 29, 2020, bringing the timing for New Jersey Lottery's core games closer in line with the big multi-state games Mega Millions and Powerball.
- When the draw time was moved, evening drawings became exclusively livestreamed.

FLORIDA LOTTERY

No workplace policies were needed. However, the Florida Lottery, like most businesses, has implemented measures to be responsive to the evolving needs of our employees, by:

- Allowing some employees to work remotely on a temporary basis.
- Increasing the regularity of cleaning and sanitization of the Lottery's offices, especially high-touch/high-traffic areas.
- Encouraging the use of face masks among employees working in close quarters.
- Utilizing virtual meetings via Microsoft Teams where appropriate.
- Increasing the use of electronic routing, review, and approval of certain documents.

VIRGINIA LOTTERY

In mid-March 2020, as the severity of the pandemic first began to emerge, the health and safety of our workforce, our partners and our customers was priority. Our leadership team quickly mobilized to conduct a real-time drill of our crisis response plan. We first created a rotating telework schedule for Headquarters employees so we could test our technology capabilities and ensure continuity of operations. Our ITS team rose to the challenge, quickly supplying employees with needed hardware and remote work support. To minimize our employees' interaction with the public, we temporarily closed our customer service centers (CSCs) and instructed our field staff to also work from home.

With an eye on reopening our CSCs as soon as safely possible, our teams collaborated on new processes to begin to service our customers again. When our CSCs reopened in June 2021, we were confident that we could both provide the same level of superior customer service we always have and keep our employees protected. We reengineered the customer claims process, redesigned the physical environment, and reconfigured processes to protect our employees.

By September 2020, our field sales staff began limited in-store retailer visits. Given the success of remote office work, our Headquarters staff remained in that posture until July 2021, at which point we returned to a staggered two-day-a-week in-person schedule. Under CDC and Virginia Department of Health guidance, vaccinated employees can choose to wear masks while non-vaccinated employees are required to wear face coverings.

As of September 1, 2021, all Virginia state

employees were required to show proof of vaccination or submit to weekly testing. Our Human Resources team, in partnership with our legal team, implemented new policies to guide our workforce through these requirements. Other policies related to employees' use of technology and remote work requirements, though already in existence, were also updated accordingly.

FACE-TO-FACE INTERACTION WITH YOUR CONSTITUENTS IS CRITICAL FOR LOTTERIES, EITHER WITH RETAILERS OR WINNERS COMING TO YOUR OFFICES. HOW WILL THIS LOOK IN THE FUTURE?

NEW JERSEY LOTTERY

At this time, the front office will remain closed to walk-in visitors, but open to scheduled appointments. This will allow the Lottery to continue to practice safe social distancing and minimize the number of people in the building at any one time. With scheduled appointments, there is a need to conduct security interviews for prizes of a certain amount and all appropriate safeguards - wearing of masks, practicing social distancing, using hand sanitizer - will continue to be followed.

Players filing claims for prizes not eligible for appointments will have the following options:

- Mail the winning tickets to the New Jersey Lottery Headquarters.
- Use a drop box in the lobby at Lottery Headquarters, which is open Monday through Friday, 8:30 a.m. to 4:30 p.m.

When visiting retailers, Lottery Sales Representatives must continue to wear masks.

FLORIDA LOTTERY

The Florida Lottery is constantly looking for creative ways to increase our efficiencies while improving the overall experience

for our retailers, vendors, and players. Currently:

- Lottery Marketing Specialists in each district office (claim center) process claims from players behind plexiglass customer service windows.
- Players have the option to make appointments to redeem their winning tickets to minimize waiting times in District Offices
- Each Lottery district office provides a secure drop-off method for players seeking to claim prizes, which offers minimal in-person interaction and no in-person waiting.
- Retailers are visited regularly by Lottery Sales Representatives, who assist with point-of-sale materials, Scratch-Off ticket inventories, and stocking of vending machines; they also educate retailers on new games and responsible play best practices.
- Through the Lottery's mobile app, players can complete a digital play-slip, thus minimizing time spent on in-store purchases of Lottery tickets.

VIRGINIA LOTTERY

There is no doubt that face-to-face interaction is valuable, both for our players and our retailers. For obvious health and safety reasons, we needed to suspend face-to-face interaction for a brief period last year. However, we knew that we wanted to get back in person with our key stakeholders as soon as possible. We happily and safely welcomed customers into our service centers after a two-month closure at the front-end of the pandemic, with entirely new safety protocols in place. We continue to limit the number of customers in the lobby (masked only) and envision that practice to remain in place for the foreseeable future.

Our social media platforms also allowed us to stay in touch with our players. We introduced live-streamed "Friday Fundays" on our Facebook page and invited our fans to join us each week to talk about products, promotions, our ongoing support of public education and, of course, to win prizes.

For five months, our field sales staff connected with our retailers through phone calls, emails, text messages and virtual visits. This time allowed us to review our

current model of servicing our valuable partners. While we know that some retailers rely heavily on us to activate new games, pull expired games, fill vending machines and restock supplies, we also learned that weekly in-person visits weren't always necessary for every retailer. Our sales management team reallocated sales routes and reduced face-to-face requirements. However, it wasn't just COVID driving this decision. We also have a focus on non-traditional retail recruitment. Reviewing current practices allowed us to continue with a strategic focus both on growing our business and increasing our opportunities to engage with consumers in new settings.

Of course, the launch of our iLottery platform on July 1, 2020, certainly supported engagement with our players when we couldn't be face-to-face. Even without our full suite of products available, it was clear Virginians were excited to meet us in the digital space. Sales far exceeded initial estimates and represented a significant percentage of our record-shattering sales of more than \$3 billion in FY21. The future of online play in Virginia is bright and will continue to serve as a valuable complement to player interaction at traditional brick-and-mortar.

Pre-COVID, we regularly looked at processes to ensure that we continued to drive our business forward as efficiently, effectively and profitably as possible. That hasn't changed and thoughtful, strategic adjustments will continue to be made as needed into the future.

WHAT ARE SOME OF THE BIGGEST HURDLES YOU FACE AS YOUR EMPLOYEES EITHER RETURN TO THE OFFICE OR EMBRACE A NEW TYPE OF WORKING MODEL?

NEW JERSEY LOTTERY

Employees have discovered the advantage of working from home in terms of increased productivity and the flexibil-

ity that it affords. While the pandemic continues, many employees are still dealing with issues regarding childcare and school closures, which require continued flexibility. As we prepare to return to a full-time onsite work schedule, we are working to institute the state's mandatory vaccination/testing policy, along with other precautions such as masking requirements, which have naturally produced a number of challenges.

FLORIDA LOTTERY

Employee safety is paramount at the Florida Lottery. We have taken numerous steps to ensure that:

- Our employees are educated on and familiar with safety protocols related to COVID-19 mitigation practices, including contact tracing, quarantining, isolating, and testing.
- We effectively communicate safety measure being taken in the office environment to employees and vendors.

We are clearing backlogs of delayed in-person deliverables including winning prize payments to players, point-of-sale materials, and ticket inventories for our retailers.

VIRGINIA LOTTERY

For many employees, remote working was a new concept. Though we quickly addressed technology needs, we still recognized that most didn't have any type of office space carved out in their homes. We knew many were working – uncomfortably – from kitchen counters and dining room tables, so we offered a one-time stipend for employees to create more functional work areas. For those without lottery-issued laptops or MiFi devices, we issued a temporary monthly internet stipend to help offset additional incurred personal costs.

With schools shuttered, there were added challenges for our working parents who became both full-time workers and home-schoolers in an instant. We regularly acknowledged these unprecedented circumstances by making sure we demonstrated – through our words and actions – grace and flexibility.

Though we were officially in a remote work posture for 15 months, some Headquarters employees continued to also utilize their office space. For those who chose to come into the office, we implemented a

COVID-19 check-in checklist and QR code to contact trace if needed. We work in a building that houses multiple state agencies, so we recognized the need to be particularly vigilant with our protocols. We posted appropriate signage outlining the latest public health and safety guidance. We utilized technology like Microsoft Teams to meet and stay connected. We conducted multiple surveys to maintain a pulse on employees' concerns and collect their ideas. By demonstrating to employees that their input mattered, we set ourselves up for success as we made plans for whatever the "new normal" would look like.

Regardless of whether employees worked fully remotely or followed a hybrid model, the business of the Virginia Lottery never slowed. Lottery drawings continued, uninterrupted, thanks to strict health safety protocols, the dedication of our draw show personnel and audit and security teams. In less than three months, we successfully launched our iLottery platform, making it available to our customers on the first day legally possible. We launched Keno, enhanced our Cash 5 game to include EZ Match, introduced the Fireball add-on to our Pick 3 and Pick 4 games, and piloted digital menu boards and play centers. We shattered both sales and profit records in FY21.

What we've learned throughout this public health crisis, above all else, is that flexibility and creativity were critical, and a committed, dedicated workforce can navigate through – or around – anything. Communication was key: we surveyed the workforce on a regular basis and incorporated many of their suggestions into our plans. We focused on keeping employees safe while continuing the business of the Lottery, all in support of our important mission of raising revenue for our K-12 public schools.

WHAT DO YOU THINK THE FUTURE OF WORK WILL LOOK LIKE?

NEW JERSEY LOTTERY

We have learned how to deal with the restrictions resulting from the pandemic,

putting in place the technology that allows us to adjust to varied work models, if needed. Changes made to our Validations Unit procedures have streamlined the processing of claims, making that operation more adaptable to changing work schedules. We have seen that consumers have adapted to the new environment and adopted new forms of retail behavior and we are going to have to remain flexible to compete in this new world.

FLORIDA LOTTERY

As we move forward from the pandemic, the Florida Lottery will continue to seek innovative ways to enhance the overall experience for our retailers, vendors, and players. The Florida Lottery's approach to innovation will include re-examination of our current internal processes with an eye towards increasing operational efficiency while providing our employees with continued opportunities for growth and development.

VIRGINIA LOTTERY

To be determined.

ANY ADDITIONAL THOUGHTS OR INSIGHTS?

NEW JERSEY LOTTERY

Anecdotally, the first month was the hardest because we could not stop drawings for various games. We did not have the luxury of time to figure out how to streamline operations because we were dealing with uncharted territory and our foremost priority was ensuring continuity of services. Since we only have one headquarters, and the facility was closed to the public, getting a handle on how to process claims with Validations employees working from home proved challenging. Drawings are held and claims must be completed there, requiring us to be very protective of the safety inside this building. However, winners in New Jersey can remain anonymous and this limited the need for people to come into the building to meet with Public Information Office personnel when filing a claim.

After overcoming these initial hurdles,

we have begun to reassess operations in order to maximize efficiency and ensure that we have the flexibility in place to adapt quickly to any future events that might disrupt normal onsite work activity. Celebrating our 50th anniversary year in the midst of a pandemic proved eye-opening, and we learned a variety of things, including:

- Going digital was fun for us and our players.
- As an executive team we could work together well digitally.
- Technology enabled employees to connect directly to their workstation and office files while working from home.
- Productivity in many cases was boosted by working remotely.
- Being forced to adapt to an unprecedented scenario ultimately produced efficiencies that will remain in place long after the pandemic subsides.

FLORIDA LOTTERY

In general, our organization has adapted to the challenges presented by the pandemic and we collectively looked for innovative solutions utilizing technology. Our employees have learned to collaborate effectively through tools like OneDrive and Microsoft Teams, which has created internal efficiencies and allowed us to explore more ways to remain efficient in our collaborative efforts. These tools have also been critical in maintaining relationships with co-workers and business partners during the height of the pandemic and into the future.

Together, we have learned how resilient we can be as an organization. As leaders, we are committed to providing the Florida Lottery with a Path Forward Plan, which will focus on continuing to (1) maximize efficiencies, (2) fuel innovation, (3) institute internal initiatives, (4) expand our education-focused outreach, and (5) align with our sister State agencies. These five initiatives will guide us in successfully supporting our workforce, retailers, business partners, players, and citizens of Florida. ■