

Responsible corporate behaviour at Szerencsejáték Zrt.¹

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The GRI frame system determines exactly in which thematic group and with what content a company "should work"², the one that would designate itself as a responsible company. Nevertheless, this documentum does not contain special supplementing indicators, definitions elaborated for the gambling game industry. Responsible game standards within the general indicator categories can be mostly classified within the product responsibility category.

The European Lotteries Responsible Game Organising Standards conceptualize expectations related to responsible game organization, divided into ten larger thematic spheres, but indicator protocols were not prepared even in this case. One piece of data was enumerated among the topics of responsible game organization - the sum spent on the prevention problems with gambling games. However, there is much more than that.

The possible indicators of a responsible game organization are determinable and can be extrapolated from the Responsible Game Standard certifying frame system, and on the basis of the indicating numbers applied by lottery companies that have overcome the qualification. Within the frames of the present paper, the introduction of indicators dealing with problematic players, the analysis of the company's such activities and a glimpse on these research results is possible.

Key words: gambling game, addiction, gambling problem, addiction, responsible corporate behaviour, CSR, responsible game standard

1. Introduction

Since most of the companies try to achieve the increase of their revenue and their profit, it is an interesting question how all this could be realized with a product that can be quasi-classified as harmful, like gambling games. The increase of sales should not happen to the harm of the receiving or the purchasing sphere, but in the way how the company could realize the responsible game organization besides its basic sales objectives.

Gambling games "rhymes well" with addictions: they offer an experience for the players, financial return for the organizers, and in the meantime state financing – due to the influent tax income – for the whole state sector. Nevertheless, this system rests on a more and more shaky foundation, since Poker Mania or the incredible success of Euromillions is dangerous from every possible aspect. One can bet on a football match virtually anytime, at night, or during the day, or in the middle of a match.

Which are the main historical challenges in this strongly regulated gambling game market? What is the proper extent of limiting the spread of gambling games? What kind of relations are there between money laundering and corruption? What other problems can arise with relation to gambling games? What tendencies can we experience from the perspective of liberalization and internationalization? How do market opportunities and interests/the involvement of interested parties change? A great number of questions can be asked regarding the problems of gambling game organization.

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² Nevertheless, the concrete content is not determined by it since the reporting depth and not the performance of the company is the basis of individual classification. It does not criticise or evaluate, but it "remunerates" transparency.

2. CSR definitions

"The method of the companies' social responsibility (CSR) taking is the way how the business sphere regards the company's economic, social, environmental effects of operation, how it the company maximalizes the results and how it minimalizes the negative consequences. This is a voluntary activity which goes beyond regulating expectations, fulfilling standards related to the company's growth and from the part of wider segment of the society" (*International Business Leaders Forum 2011*).

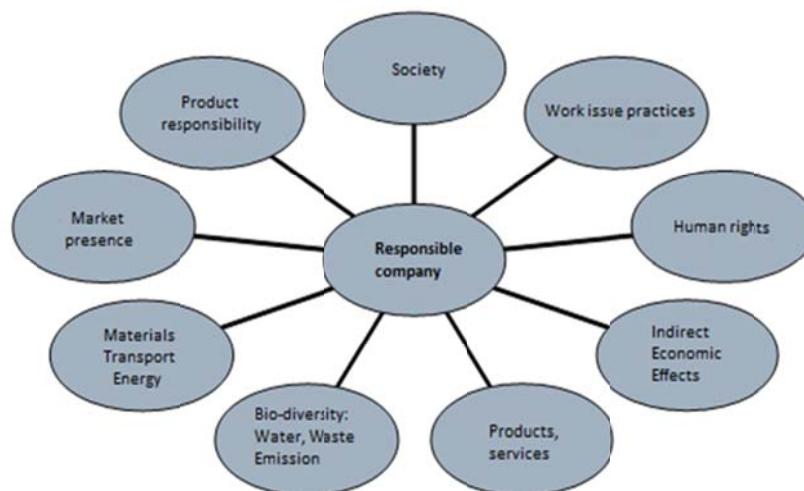
The possible designations, definitions of responsible corporate behaviour converge to the infinite. Nowadays it is easier to determine what is not CSR and which activities of those company demonstrate the CSR behaviour. It is quite offensive if a company's sponsoring activities, its charity work or its team building events are used to be promoted as – *Responsible corporate behaviour*.

Nowadays we can hear more and more about those professional discussions which directly question if a company's CSR can be used as a promotion. The clear seclusion would be a large mistake and a hypocritical marketing catch: those company advantages which arise in the long-term, which can be just pushed on CSR-consciously on a strategic level, cannot be formed without a proper communication. We can think of the role of inner communication with regards to encouraging loyalty.

On the other hand, if there is nothing else but a spectacular business catch, the company can cause more harm to itself since its stakeholder and mostly its customers would not accept if they were not "regarded as adults". The recommendation, developed under the auspices of the UN, and the *Global Reporting Initiative (GRI)* was born in order to make presentations about responsible performance comparable and transparent. "On the basis of Sustainability Reports, by the GRI Frame System, the organisation's commitment towards sustainable development can be proved. It helps the temporal comparison of organisational performance and this performance can be measured with regards to laws, norms, standards and voluntary initiatives" (*Benefits of GRI reporting 2011*). The significance of GRI can be emphasized mostly in international awareness and in widescale applicability. The indicators may offer strong points in which territories could deepen, what measures, actions could be realized.

But it serves ponderability. "...it helps the standardized approach of sustainability reports – it is beneficial for organizations which have reporting duties and for the users of reports, too" (*Benefits of GRI reporting 2011*).

Figure 1. The territories of the GRI



Source: own construction

3. Previous investigations

At the beginning of 2010, Ipsos Zrt – based on the order of Szerencsejáték Zrt – performed a countrywide representative research, in which 10,000 people participated, attempting to explore the Hungarian situation of gambling game addiction and the influence of certain games. According to the *Gambling addiction and responsible game organization study*, 1.2% of the 18-year-old and older Hungarian population is gambling game-addict, which means that around 100,000 people are involved. 3.8% is in the moderate risk factor category, and further 5.7% is in the low risk factor gambling player category.

The survey has shown that the public opinion on gambling addiction is that it is a chronic addiction and it compares it to alcoholism and drug addiction. Most of the polled people were aware of the basic characteristics of game addiction and its consequences. The research has stated that problematic gambling players like those games the most which would offer a quick-paced, immediate winning and would ensure a continually renewing challenge for the player. The slot machines, the casinos and most of the online games are such games so these are extremely dangerous to the players. Gambling addicts however, do not sample too much, essentially any accessible game would be acceptable for them.

The survey which applied gambling habits from the previous year as the basis of its study found that 94% of the players, who play gambling games as entertainment, have chosen the games of Szerencsejáték Zrt., 24% of gambling game addicts play only at the Company, and 69% of them place bets everywhere – but primarily at the competitors' – mostly in casinos, slot machines. Online gambling games are chosen by 48% of the addicts. It can be known that among the non-problematic gambling players only 11% played as an underaged, but among addicts 31% are underaged. (*Ipsos* 2010).

Before its Responsible Game Standards campaign, Szerencsejáték Zrt. started a research among its consumers by Kutatópont Kft. During the analysis of the results related to responsible game standards gathered by the research, the most important basic data, which would refer to the players, is that 95% of them never invested more money into gambling games than the amount they could afford. In unison with this every fifth answerer has experienced material problems in their own narrower environment because of gambling games.

This problem was mostly sensed by the citizens of county towns, among whom 30% have already experienced such situation. 81% of the participants have already met family feuds which was related to gambling games (*Kutatópont* 2010).

64% of the people think that gambling is not a harmless entertainment. Addiction, according to 80% of the participants, is a general characteristic of the Hungarian people. According to the people promotions have a negative roles (63%) regarding the formation of the addiction, while the positive, retentive power of them is only entrusted by every second person. According to a decisive majority of the participants gambling game addiction is a disease (92%).

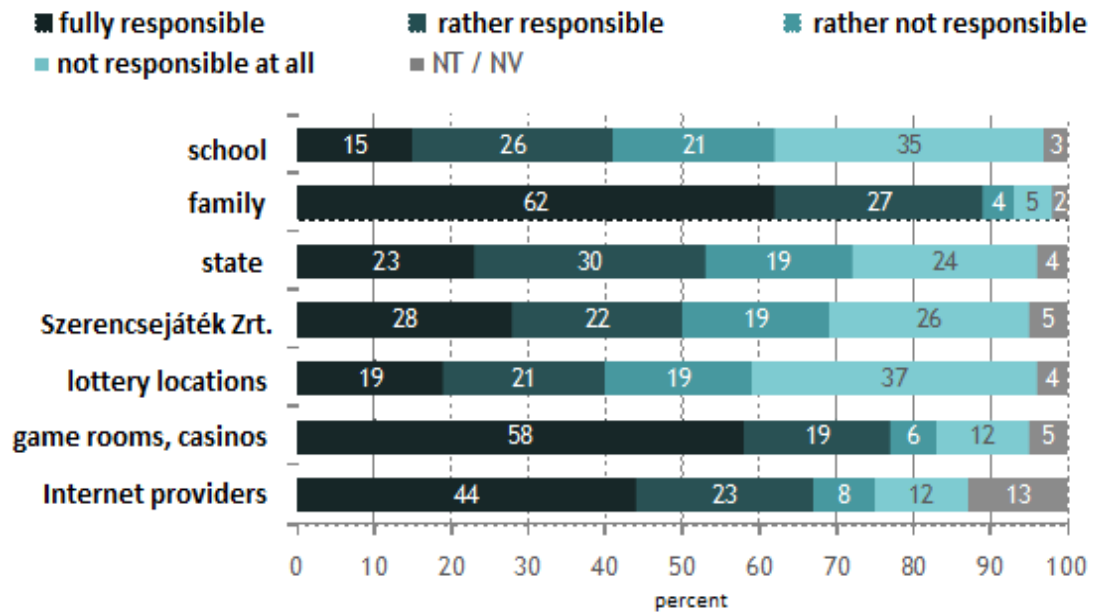
According to the answerers, Szerencsejáték Zrt. feels that helping is its own quest, because it is written by the law (25% of respondents), it would improve the judgment of the company (22%) and it reduces the feeling of guilt (18%). They believe, that *Szerencsejáték Zrt. should mostly emphasize informative campaigns and self-tests* (48%).

67% of the people think that informative brochures are important, but *it is a serious limitation that 80% of the people never even paid attention to them.*

In the practice of underaged people, the family has the greatest responsibility (89%) but the influence of game rooms, casinos (77%) and Internet service providers is emphasized, as well (67%). Every second person thinks that the state and Szerencsejáték Zrt. are responsible for the gambling game practice of children and underaged people, while the most important

mediator of secondary socialization the school and also the locations of the lottery are responsible to a smaller extent (41 or 40%).

Figure 2. The responsibility of effected people in the limitation of the formation of gambling games according to public opinion



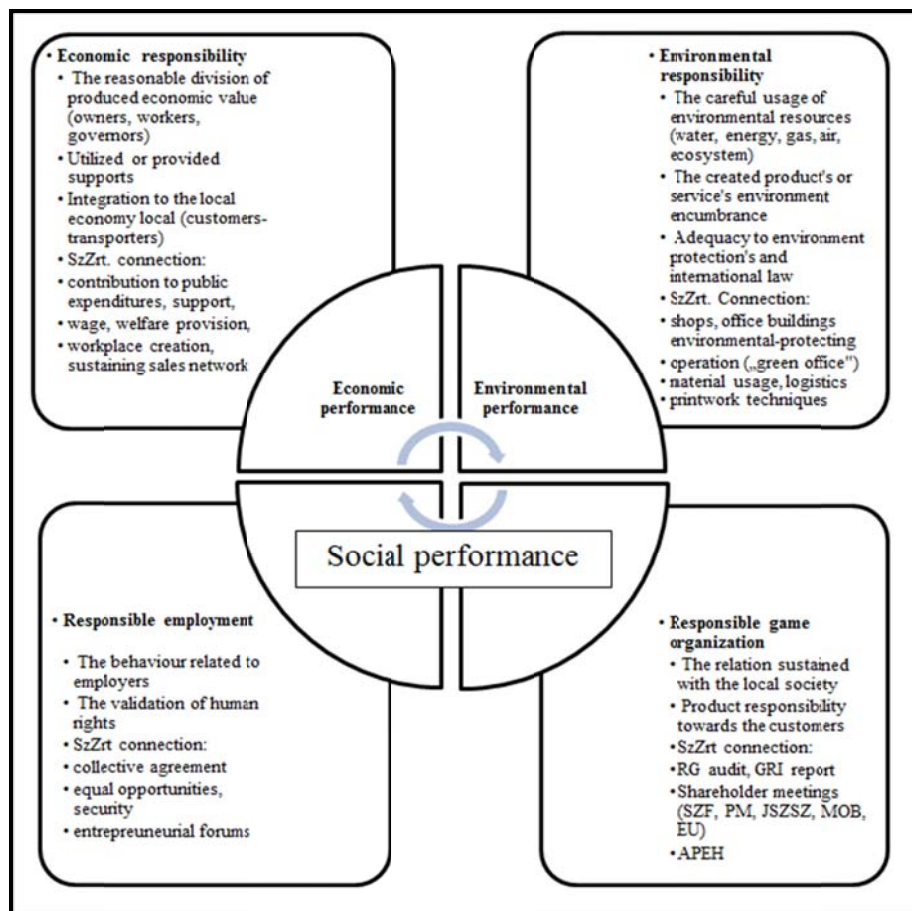
Note: What is the extent of responsibility of the below mentioned agents with regards to underage people playing gambling games? (related to all questioned people; n=1000)
 Source: Kutatópont (2010, p. 27.)

It is the company's social responsibility taking where we should see most vividly the care for the problematic players, or the ones that are becoming problematic, along with prevention, filtering, financing investigations and sharing information. By analysing the CSR reports of foreign lottery companies it can be declared that problematic players' treatment is the central element of responsible game organisation.

The modifications of this can be diversified, but would not limit itself to the given game organizing individual products. The formation of game addiction is influenced by winning chance, accessibility and the speed of the game (outcome, temporal consequences of the prize) (Shaffer–Hall 1999, Shaffer et al 2004).

The Figure 3 demonstrates the division of a responsible game organisation within the company responsibility taking with which we do not have to agree by all means. Keeping contact with local communities is the task of each responsible company, regardless of the questions of game organization. Considering the concrete content of Figure 3, we may find practical examples which can be related to this partial territory. We should have a look at the self-helping groups consisting anonymous gambling players in each town, or the institutions which were created to handle regional social problems (e.g. Drugfree Island, drug centers, clinical expert divisions). However, it is the game organizer's responsibility, during the development of the products, prior to their market introduction, to measure what risks the new game could have for the addicted and the endangered. GAM-GaRD is the most well-known measuring method, but the German system, which is a little bit more complex, but mathematically more established, is also worth to be mentioned (Peren 2011).

Figure 3. A possible relation between the CSR and a responsible game organization



Source: Szerencsejáték Zrt.'s own material

4. The indicators of responsible game standards

The European Lotteries Responsible Game Organising Standards conceptualize expectations related to responsible game standards which is summarized below. The application of the Standards is not of compulsory nature, but most of European lottery companies have undertaken it to fully satisfy the requirements prescribed in the Standards, and to expose themselves to an external verification to certify their readiness to the definitions of the below mentioned points:

1. Research
2. Training employees
3. Sales agent programs
4. Game planning
5. Remote gambling channels
6. Promotion and marketing
7. Treatment, orientation
8. Preparing the players
9. Including the involved parties (stakeholders)
10. Report, measuring and certifying

Several concrete data can be classified within the thematics of responsible game standards, for example the sum spent on the prevention of the problems related to gambling

games or to the related investigations. But there is much more to it than this. In the Appendix, the attached table describes the indicators of caretaking regarding problematic players. We can see below (Table 3) with what concrete data and indicators we can concretize these thematics (Responsible Gaming Standards). Being aware of the international experiences or the general GRI indicators, Hungarian game organizers' (state or private) general responsibility is to make steps in the below mentioned territories. All the above mentioned could be more simple if they had a professional association or cooperation.

Table 3. Indicators of dealing with problematic players (recommendation)

Designation	Editing
Finding the problematic players	Sums paid for financing the research
Institutional relations	Which of the institutes that are dealing with problematic players are in connection with the company?
Informing	Forums, events, Internet surfaces
Involving experts	Number of consultations, publications
Prevention	Informative brochures, tests (publishing surfaces, numbers)

Source: own construction

The GRI frame system does not contain special supplementing indicators that are elaborated for the gambling industry. A responsible game organisation within the general categories belongs to the product responsibility category.

The European Lotteries Responsible Game Organising Standards, which is divided into ten larger thematics, conceptualize the expectations related to responsible game organizations, but indicator protocols have not been prepared, yet. The European Lotteries (EL), from 2006, collect the comparing data of member lottery companies in a new structure. The clear price profit, the budget inpayment, the data related to direct support, which is in the report, show basically the economic aspect of lottery companies' social responsibility. One piece of data can be classified within the thematics of responsible game organisation, and that is the sum spent on the prevention of problems regarding gambling games.

It can be extrapolated from the certification frame system on the basis of indicator numbers applied by the lottery companies which are qualified. The possible relevant indicators of a responsible game organisation, with the preparation of the Sustainability Report, must be highlighted:

- The sum spent on the support of investigations dealing with the social influences of gambling games and the prevention of gambling problems.
- The number of products qualified from the perspective of social risk, the formation of measured risk indicators.
- The number of development programs, projects qualified from the perspective of social risk.
- The number measuring development indicates the social judgment acceptance of the products of the lottery company.
- The number of participants in the training programs which contain the principles of responsible game organisation.
- The development of acceptance among the employees of a responsible game organisation.
- The partial proportion of sanctions due to the number of test purchases and the violations of age limit rules.
- The number of resellers achieved responsible game organisation qualifications.
- The number of problematic players related to personal products.

- The number of employees thinking positively about working for a responsible game organisation.
- The amount of completing criteria referring to the remote gambling games by the European Lotteries Responsible Game Organising Standards.
- The development of the number of registered players.
- The number of players who use the possibility of self-seclusion.
- The proportion of unwithdrawn prizes compared to the income.
- The number of supervision processes initiated against the lottery company.
- The number of complaints received because of the violation of the personal rules of advertising ethics of lottery companies.
- The support given to institutions dealing with the treatment of problematic players.
- The location and the theme of the dialogue carried out with the stakeholders.
- The majority of these indicators cannot be extracted from traditional entrepreneurial information systems. The adequacy to the European Lotteries Responsible Game Organising Standards and its audit, however, may offer a great start. It is not necessary to authenticate the Report by an external auditor, but this is characteristic of the external practice.

5. Summary and conclusions

The conclusion of our above mentioned hypothesis is that responsible game standards are in some way different from responsible corporate behaviour in itself.

As a member of the European Union, it is unavoidable to pay attention to the international standards and to adapt them in order to form the game organizing activity proper to the Hungarian market specifications. Related to the responsible corporate behaviour, it is a general question how business profit and return relate to the investments of such types and to any possible self-limitations. In gambling game standards procedures this general question is supplemented with the suggestion because of the damaging qualities of the products, or their occasional consequences how they can be harmonized with responsible corporate behaviour. If all of this would not be a necessarily complex research question, we could add political attitude in the case of the state game organizer and the specifications deriving from the state ownership and other anomalies. The discussion of any following questions would belong to another paper.

The dimension of time is essential in responsible game standards which arises regarding the question of continuity and continual management, and also regarding scalability. Not only with the international game organizers can one compare the responsibility of the Hungarian game organizers, with the help of exact indicating numbers, but also compare them with each other, as well. If we deal with these qualifications, with standardized and constant indicating numbers, then the tendencies of different elements regarding responsible gaming standards can be measured in time, as well.

It is important to mention in our paper that responsible gaming standards and responsible corporate behaviour is not a promotion and they cannot be the topic or tool of a promotion, but at the same time, communication of them is an important element of the CSR. It is an essential insight that responsible gaming standards must be managed on a strategic level like everything else within the CSR theme, not only as an action program, but also as a necessity, as well.

Game organizing responsibility has at least three directions. One is towards the society and the stakeholders, related to the above outlined references, another is within the organization towards its employees, and the third one – and maybe this is the most important direction – is towards the customers due to the responsibility towards the players.

6. Appendix

Requirements	Key questions	Evaluation (the condition of acquiring accreditation is reaching the minimum of 75%)
<p>1. The members have to actively cooperate with the organisations dealing with gambling problems, treatment centers and/or with medical experts, for a better understanding. Also how does the problematic gambling player's attitude would influence the social effects of the products of lottery companies', or the situation of these players with promotion related to products?</p> <p>2. Where in the given legal system do the treatment services exist? How do the members (if the law does not designate another organization) have to provide the players and sales agents with the proper information, and have to cooperate with the services regarding the opportunities secured for the problematic gambling players. The implied information (details about making a contact, helpline-numbers) must be made accessible in a printed form and must be installed visibly in the gambling game rooms, betting offices and must be published on Internet sites of the members, as well.</p>	<p>a) How treatment centers and problematic gambling organizations are effected by the law?</p> <p>b) Out of them, which ones are affected by the lottery company? How does it take care of them and what are the results?</p> <p>c) Are there any people to whom the lottery company does not pay attention? And if there are, why?</p> <p>d) With what information does the lotter company or other organisation supply the players and the sales agents as a reference to the treatment services?</p> <p>e) How can the information referring to treatment services be accessed?</p> <p>f) Does the lottery company fulfill its duties either with securing the mentioned pieces of information or with a cooperation of a company which provides such information?</p> <p>g) Independently of the provider, are the contacts of the treatment services visible on game surfaces?</p> <p>h) How frequently and how strictly does the lottery company evaluate the properness of the treatment services? Does it seek for the methods of development?</p>	<p>The active and committed cooperation with organizations, dealing with gambling problems, with treatment centers and/or with medical experts, is proven, which has the objective of getting to know the problematic gambling perspectives, games, and paying attention to the influence of related promotion activities (30 points).</p> <p>The selection of such treatment services which offer remote help for the players has been taken place (30 points).</p> <p>The communication of the chosen treatment services has been realized and it is accessible:</p> <ul style="list-style-type: none"> - for the players (20 points), - for sales agents (5 points). <p>The treatment services and their communication is yearly reexamined (15 points)</p> <p>TOTAL= 100 POINTS THRESHOLD= 75 points</p>

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