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Making standards work®

NASPL and The Open Group

NASPL Partners with The Open Group to Create Standards and Best Practices for North American Lotteries

Lotteries operate and are regulated on a state-by-state or province-by-province basis. The North American Association of State and Provincial Lotteries (NASPL) was founded in 1971 to provide a central information source where the lottery industry could share its expertise, resources, and advice with other members. Due to the jurisdictional nature of lotteries, there was a tendency for each state or provincial lottery to conduct business in their own unique way, yet each system often had similar objectives to achieve.

In 2001, NASPL's Task Force on Standards began to explore the concept of forming a standards initiative to create common standards and best practices that could be shared among the entire lottery industry. The goal was to construct a formalized method for identifying, adopting, and adapting best-of-breed standards and best practices that could gain industry consensus and all lottery constituents – lotteries, vendors, and retailers – could review and approve.

As a result, the Task Force contacted The Open Group for recommendations on establishing standards and best practices. As a vendor- and technology-neutral organization focused on open standards and certification, The Open Group already had more than 20 years' experience delivering strategic and practical services to industry consortia that were looking to meet specific business needs. In addition, The Open Group's Collaboration Services provides a number of consulting and advisory services for organizations based on its proven Consortium Lifecycle methodology. By establishing a set of common processes and procedures, NASPL and The Open Group have helped state and provincial lotteries across North America create a truly interoperable lottery environment.

Throughout its history working with consortia to develop standards and certification processes, The Open Group has observed that most consortia go through very similar processes as they are forming and looking to create new standards. Because NASPL also realized it was imperative for standards and best practices to be implemented correctly, The Open Group was able to assist NASPL in building their initiative. NASPL specifically engaged The Open Group to provide a full solution for every phase of the Consortium Lifecycle:

- Consortium Formation (including IT and organizational set-up, with consensus building to agree upon objectives)
- Standards Development (including open, fair, and neutral review and approval processes for technical standards and best practices)

> *"By working together, we significantly cut down the time it took us to come to consensus regarding the kind of standards we wanted to develop for our lotteries, vendors, and retailers. By partnering, we were able to create consensus for our objectives, identify our priorities, and get started quickly."*
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> **David Gale**
> **Executive Director of NASPL**

> *I'm proud that NASPL and the South Carolina Education Lottery have been driving forces in implementing the use of XML. Without the combined effort, lotteries and retailers would be challenged to increase efficiency and lower respective costs. This effort has been a win-win for all involved."*
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> **Ernie Passailaigue**
> **Director, South Carolina Education Lottery and Former President of NASPL**

- Market Impact (including certification development, implementation workshops, and customer procurement pull)

The Open Group's full-service, lifecycle approach, and their ability to customize a program that met NASPL's unique needs and requirements, were key criteria in both groups' decision to partner.

Consortium Formation

Perhaps the most difficult part of creating a consortium is the formation of the body itself – deciding how to focus the mission of the group and hammering out what kind of requirements will drive its work as the consortium develops and grows into a standards body. The Open Group understood that bringing NASPL's various constituents (lotteries, vendors, and retailers) together in consensus could be a difficult and time-consuming task.

In order to best determine NASPL's particular needs, The Open Group conducted a series of surveys and meetings with the NASPL lotteries, vendors, and retailers to help NASPL prioritize their specific needs for standards and to speed up the time it would take to form the consortium. In addition, The Open Group made recommendations on how NASPL could establish its own NASPL Standards Initiative (NSI) to develop the standards and best practices, as well as implement a certification program for them.

Based on their survey findings, The Open Group then worked with NASPL's committees to prioritize the most pressing areas for developing new standards and best practices.

Standards Development

After presenting these findings to all of the vendors and lotteries participating in the NSI, the group identified distinct focus areas as top priorities for both technical standards and best practices. These included a technical standard for bar codes and a technical standard for creating XML-based retail accounting reports, as well as quality assurance, web-based retail applications, and management of instant tickets practices.

As the program progressed, another best practice addressing requests for proposals (RFPs) was also developed. The RFP Best Practice evolved into a joint project with the World Lottery Association (WLA) that resulted in NSI's first global standard: the Global (NASPL-WLA) RFP Standard Template, which can be used by any lottery in any state, province, or country worldwide. The WLA was pleased to not only help implement a worldwide standard with NASPL, but was also impressed with how the groups were able to come together.

"The project has been validated through widespread adoption of North America's lotteries, vendors, and retailers. This partnership has enabled the lottery industry to move forward with innovation and business development."

Andrew White
NSI Project Manager for NASPL

Market Impact

NASPL, like many organizations, realized that simply having good standards and best practices was not enough to provide business value to their members – they needed to make sure that those standards and best practices became commonplace. In order to drive market impact and show that the standards and best practices had been implemented correctly, NASPL requested that The Open Group help them create a certification or verification program, whereby the lotteries, vendors, and retailers could be assured that their implementations were correct, ultimately resulting in increased operational interoperability and efficiencies. In effect, certification helps groups such as NASPL guarantee that there is not only conformance across lottery systems, but it also helps establish confidence in – and, more importantly, a commitment to – the program.

In addition to helping NASPL define the requirements for certification, The Open Group implemented the NSI certification program, providing a secure web-based certification system complete with online user guides and access to the certification policy and trademark license, certification record keeping, and a public registry for certified products. From there, NSI launched the certification program, which The Open Group continues to operate and administer on behalf of NASPL and the NSI.

Since NASPL wanted to assume a greater role in working with the lotteries to validate their processes and verify their best practices, The Open Group also developed an Assessor Training Program for NASPL employees. As the Certification Authority for the program, The Open Group continues in the role of certifying technical standards, as well as operating and administering the underlying certification and verification programs. Because NASPL and The Open Group found that there was a significant need for additional training on implementation for many lotteries and vendors leading up to the certification/verification process, The Open Group created implementation guides and workshops for each of the technical standards and best practices. Complementary implementation teleconference workshops are offered to all lotteries, vendors, and retailers as a way to reduce their training costs, decrease the time and resources spent on implementation, and diminish the risk of incorrect implementation of the standards and best practices.

The Benefits

Working with The Open Group has provided a number of invaluable benefits to NASPL, its member lotteries, retailers, and vendors. The ability to train personnel on specific technical standards and best practices has helped lottery employees not only improve their subject matter expertise, but it has also reduced the time, effort, and resources each lottery has had to spend meeting with other lotteries to determine independently

> *"It is difficult enough to bring together so many different constituencies within just one state or country, let alone bring them together into consensus globally. The Open Group's process and ability to work effectively with multiple consortia on one standard was extremely helpful and made the whole process as uncomplicated at it possibly could be."*

> **Arthur "Arch" Gleason
> President & CEO, Kentucky Lottery
> Corporation, Former President of
> NASPL, and Current President of the
> WLA.**

what practices work best for one lottery or another. In addition, the risk and cost of developing individual solutions that may not work or be interoperable has been greatly reduced. For vendors, implementing products against technical standards, which were created, reviewed, and approved by all parties (including the vendors), reduces the resources and cost involved in re-establishing lottery requirements and creating customized solutions for individual lotteries. For retailers, the standards and best practices offer new cost-effective ways to work with lotteries. The adoption of NSI best practices and technical standards results in less risk and processing time for ticket sales and lottery accounting, which means more retailers willing to work with lotteries.

Now, each constituency that is involved in lottery decisions – management, legislatures, lottery staff, the public, lottery staff – know that they can trust that their particular lottery uses verified products and best practices to run their business. NASPL's standards and best practices are positioned to continue as constants in the industry.

NASPL and The Open Group continue to work together in creating widespread market adoption of the NSI technical standards and best practices, including offering ongoing implementation workshops and assisting lotteries and vendors in their pursuit of certification and verification. The Open Group also continues to train and work with NASPL employees to assume their roles as assessors in the Quality Assurance and RFP best practices verification programs.

NASPL created NSI because it knew that creating an interoperable lottery environment for its members would be invaluable in maintaining the quality and integrity of the lottery industry, as well as providing increased efficiencies, reduced costs, and increased profit margins for lotteries, vendors, and lottery retailers. By using The Open Group Collaboration Services' Consortium Lifecycle approach, NASPL and The Open Group have helped state and provincial lotteries across North America create a truly interoperable lottery environment.

For more information, visit www.opengroup.org/naspl or email collaboration-services@opengroup.org.