

## What video games can teach business about engagement

South Africa | 07 June 2018 | Insight

### Authors and contributors



Rudie Shepherd



Ryan Knipe

### When business is a game

I'd like to think I'm pretty good at Donkey Kong (and my job): climbing ladders, jumping over barrels, going up the levels and finally saving Lady from the clutches of the Gorilla, also known as financial distress. I've studied for years to get these skills and I practise them every day. My high score reflects my efforts, and at this point in my career I'm looking forward to taking on the last level and ultimately retiring with a Golden Banana from the firm.

Why is it, then, that when I take on my 13-year-old son in a game of Team Fortress 2, I'm down in the first 30 seconds? I don't even want to try any more. Platform games I can do, even strategy games. But these 3D AI-driven multiplayer fully immersive virtual reality you-have-30-milliseconds-to-react stuff, I can't. I just don't have the skills.

From the perspective of the modern employee, corporate business today is very much like a classic 1980s arcade game: one-dimensional, controlling, predictable and limited game-play for little reward, and ultimately not very engaging.

People get bored in 30 seconds flat. And not just young people. If current employee well-being and engagement statistics are anything to go by, there's a glitch in the system.

Employees are looking for a business where they feel part of the story, learn new things every day and develop skills that are recognised (and portable) on a global stage. The new normal is a world where business is a game – a digital one – and one you do not want to be in without the right players on your team.

### The industry stereotype

Industrial organisations born of the minerals–energy complex (discussed in the article ['What do we mean by well-being'](#)) are not known for developing human resources.

In fact, the very term 'human resource' gives a sense of how the industrialised world views employees: more resource than human. In a world where work is scarce and human resources plentiful, this is a massively successful business model that has been making good money for tycoons since the First Industrial Revolution and, out of necessity, has been accepted as the norm by employees. It is the go-to model for many governments seeking rapid economic growth and job creation at an industrial scale. So it should come as no surprise that significant investment goes into industrial development each year to create more of it.

If we are honest with ourselves, though, good old-fashioned manual work has become dehumanised – so much so that robots can do the work quicker, cheaper and more profitably. We can argue that mechanisation is a good thing, taking away the drudgery of manual labour and creating the opportunity for people to upskill and get themselves 'decent jobs' instead. But think about that for a second. Is your automation really aimed at uplifting people or is it about having the highest score in the game? If you found out someone else had a higher score because they used artificial intelligence auto-routing technology, would that impress or upset you?

Fortunately, forward-thinking organisations and governments are not oblivious to the role human capital development plays in staying ahead of the next industrial revolution – and fending off the robot invasion. As shown in Table 3.8.1, the national budget allocated to learning and culture (that is, human capital development) in South Africa is nearly twice the amount allocated to economic development (industrialisation). Someone thinks that developing people has twice the long-term return on investment as artificially creating a job.

**Table 3.8.1: Consolidated government expenditure by function, 2017/18–2020/21**

R billion	2017/18	2018/19	2019/20	2020/21	2017/18–2020/21
	Revised estimate	Medium-term estimates			Average annual growth
Learning and culture	323.1	351.1	385.4	413.1	8.55%
Health	191.7	205.4	222.0	240.3	7.8%
Social development	234.9	259.4	281.8	305.8	9.2%
Community development	183.5	196.3	210.5	227.1	7.4%
Economic development	183.5	200.1	211.9	227.1	7.4%
Peace and security	195.7	200.8	213.6	227.7	5.2%
General public services	62.1	64.0	65.9	70.5	4.3%
Payments for financial assets	20.4	6.0	6.2	6.6	-
<b>Allocated expenditure</b>	<b>1 394.8</b>	<b>1 483.1</b>	<b>1 597.3</b>	<b>1 718.1</b>	<b>7.2%</b>
Debt-service costs	163.2	180.1	197.7	213.9	9.4%
Contingency reserve	-	8.0	8.0	10.0	-
<b>Consolidated expenditure</b>	<b>1 558.0</b>	<b>1 671.2</b>	<b>1 803.0</b>	<b>1 941.9</b>	<b>7.6%</b>

Source: BizNews<sup>1</sup>

In a country where jobs win the votes, this is a brave move and a wise one, too. The link between skills and decent jobs is well established and understood.

Nelson Mandela famously said, ‘Education is the most powerful weapon with which you can change the world.’<sup>2</sup> But are we waiting for government to give people a flashlight when what they need is a laser?

Business has its own role to play in taking up the tools that the task requires. We just need to know where to look.

Workplace education, learnerships, accelerated leadership development and learning and development are all examples of how corporates are massifying education. With annual budgets running into millions, it cannot be said that employers aren’t doing their part to develop their people. Everybody is given a chance to play.

The unfortunate reality, however, is that very few of these corporate programmes have a consistent track record of success. There’s nothing worse than giving a random noob from the crowd some of your coins to get in the game, then have them run off to another machine while you have your hands full with Space Invaders. Right?

Actually, there is. You give them a coin and they don’t know what they’re doing, and it’s game over.

### Are your training programmes hitting the target?



Source: Mercer<sup>3</sup>

### Work isn't for playing

Work is serious business and incompetence is expensive. The company spends an inordinate amount of money on your training, wellness, benefits and career development. The workplace is for working and you can play games, surf the net, watch YouTube and learn to code in your own time.

Probably for good reason, too. The time people spend surfing the internet at work is mind-blowing these days. What is it good for?

Well, there’s a whole new generation of people who learn from YouTube and practise their craft in cyberspace. They get their schooling online and work in virtual reality. As long as there are boundaries and a system to measure that things aren’t going awry, things seem to work out for the best in the end. ‘Self-directed learning’ is not a buzz phrase any longer it’s the new normal – even for us pre-millennials.

**Chief Financial Officer: What if we train all these people and they leave?**

**Chief Learning Officer: What if we don't and they stay?**

In 2017 Alexander Forbes made the decision to create and foster a culture of learning in the company by giving employees the freedom to learn anything they want, any time. We took a gamble to trust our employees with access to the greatest source of knowledge in human existence: would they use it or abuse it? We made a business decision to invest in our people and help them find better jobs – inside our organisation – accepting the risk that we could be preparing them for a job outside the company.

Over the past year, Alexander Forbes has been keeping a close eye on how employees are spending company time online. We've discovered that YouTube is extremely popular, clocking up a whopping 9 625 videos watched on company time this year alone. The demand for video has become so popular that IT had to double the daily data allowance for this site recently. On top of that, close to 11 000 articles were read on the web, more than 1 000 Google Books pages were devoured online, and 283 TED talks and 100 thought-provoking Big Think pieces were consumed. The members of the Work Life Balance group clocked up almost 40 103 hours of self-directed learning between them.

Learning, you say? From YouTube? And there you thought the internet was for playing and wasting time.

From the data, we could see that people had a strong desire to learn and improve their skills on their own terms. We saw that YouTube (and a few thousand other sites) is a legitimate source of learning and far more popular than internal courses or training. We could also see skills emerging we didn't even know we had – or needed.

Trusting our employees with this boundless resource was a leap of faith but it wasn't without method. We used Degreed technology to differentiate between learning and entertainment at work. The detailed insights this gave us are more than enough to make informed decisions about giving employees more freedom to educate themselves. Granted, there is a line that sometimes gets crossed. But the data we have helps us determine whether something on the other side of the line could be the key to the next level of innovation. We found people were interested in topics that now interest us.

We also discovered that no amount of money spent on training can get people to learn if they are not engaged. Loosening the reins a little had a very positive effect on morale, engagement and productivity in our organisation.

## TAKING IT TO THE NEXT LEVEL

### Engaging the workforce

The productive and competitive advantage a skilled and engaged workforce gives the organisation has been well understood for a long time. 'Our people are our most valuable asset' is a phrase that's been used (and probably overused) for decades. Of course, there are companies that see humans as resources and express human capital in terms of return on investment. But the truly successful ones prove that if you see your employees in terms of their future value, not just their present production capacity, you unlock a new level of engagement and performance for the company.

Companies that invest in learning and development from the top line consistently show better results on the bottom line. People who are encouraged and allowed to learn new skills are intrinsically motivated to improve themselves, gain confidence and jump to the next level on the corporate ladder. For companies that leverage the powers of their most skilful players, there are rewards aplenty.

However, as your chief human resources officer will probably tell you, there is a glitch in the system. Despite spending all that money on workplace skills plans and human capital development consulting and incentive schemes and rewards platforms and e-learning technology and well-being programmes and learning management systems and performance management systems and employee feedback systems, people are just not interested.

### What's missing?

As a systems guy myself, what I can tell you is that when people start to blame the system, the problem in the system is usually the people. The definition of a 'system' incorporates people, process and technology. What we tend to do when we build (especially HR) systems is to focus on the process and making that process easier with technology, very often forgetting there is a person on the other side of the screen. Using a gaming analogy: the console is there, the instruction manual is there, but the player is watching TV instead.

You need to engage the employee with the system, which means you have to make the person an integral and valuable part of the system.

*Of everything that can get people deeply, satisfyingly engaged in their work, the single most important is simply making progress on meaningful work.<sup>4</sup>*

As in a video game, progress and reward go hand in hand. A game with an impossible challenge will soon lead to surrender. A challenging game with little visible progress gets boring and is quickly abandoned.

As Prof Karl Kapp, author of Learning in 3D, notes, there are several ways to look at games and motivation. One way is to examine games through the four-factor model that John Keller developed. This model is well known in the field of instructional design and is used as a framework for creating e-learning and courseware.<sup>5</sup>

The model is called ARCS: Attention, Relevance, Confidence and Satisfaction. It was originally developed for learning but is also used extensively in game design<sup>6</sup> – and can be just as well applied to business:

- > **Attention.** Gain the attention of the player so that they are interested in the game.

- > **Relevance.** Establish the relevance of the mission to be accomplished using one of three methods:
  - > goal orientation
  - > matching the motive of the mission with the motives of the player, for example achievement, risk-taking, power or affiliation
  - > familiarity: showing how accomplishing new tasks relates to existing tasks, and modelling the results of learning the new knowledge
- > **Confidence.** This is the player's expectation that they can achieve success with the information they're given. If they feel they can learn the technique and are confident they can do so, they tend to be more motivated to proceed.
- > **Satisfaction.** Players need to feel that the activity has value and is worth the continued effort. Give them the opportunity to successfully apply their new knowledge and skills in a real or simulated setting so that they can 'see' what they have learned being applied. Also, maintain a sense of equity with the player by using consistent standards and measures of success.

As mentioned, the ARCS model was developed as a framework for designing engaging learning experiences, not games. Kapp doesn't talk about a 'player' but a 'learner'. But just as ARCS is equally applicable to learning and game design, so too can it be applied to business: simply substitute 'learner' for 'player' and 'player' for 'employee' and you have yourself a cheat sheet for improving employee engagement.

To demonstrate the power of engaging the workforce with ARCS, consider the following fictitious but probably familiar scenario:

A new regulation that will have a material impact on our business is hitting us soon. Everybody from the top down has been made aware of this and agrees that compliance training is critical and urgent. Dedicated and mandatory training sessions have been set up across business units, and managers are accountable on their scorecards. The training is available electronically on the learning management system and, as an incentive, employees have been given time off work to study for the assessments.

The feedback from HR is that although we're doing all the right things, attendance and completion are unsatisfactory. Why are people not engaging?

Is your engagement engaging – like a video game?

- > **Attention:** No problem there. You've got our attention. People pay immediate attention to threats to their survival, especially when it concerns their wallets or family. Opening the first scene of the game by showing the villain kidnapping the princess is a good tactic. Tick.
- > **Relevance:** People understand that compliance failures may lead to the business losing its operating licence, and the CEO could go to jail. Does this resonate with them in their departments, though? Probably not. Yes, scaring people will have some effect but fear alone is not enough to get someone engaged. **Goal orientation** and **achievement** and **affiliation** are more positive motivators. Consider setting a departmental goal and keeping a leader board to create competition to achieve a relevant goal in the department.
- > **Confidence:** What does the average person know about corporate governance and compliance? This is not a game they are familiar with and sitting in a class full of compliance boffins will make anyone risk-averse. Rather use short and regular **one-point lessons** that build knowledge and confidence over time. Deliver them outside a classroom setting so that people can learn in their own time and on their own terms. Ironically, a corporate classroom is one of the least conducive environments for learning a complex subject, as it suppresses confidence.
- > **Satisfaction:** Traditional text-based compliance training is simply boring and uninspiring and feels like a chore – because it is a chore. Using **videos** and **simulations** and **interactive quizzes** – in other words, **games** – is far more engaging. If there were a Compliance Candy Crush, wouldn't you rather download and play that?

*You are the Chief Learning Officer, not the Chief Gaming Officer. You don't have to create massive, multi-player games that rival the cinematography and special effects of 'The Hunger Games'. Tiny little games that last all of five minutes can be powerful. You don't have to create entire worlds or complex story lines. Instructional design trumps graphic design every time. Start small, but start.<sup>7</sup>*

It's pretty easy to see that engagement with the workforce isn't a magical power. It's a technique, and a technique can be taught, practised, replicated – and automated. That's a topic for another article, but it's this very ARCS model that inspired the founder of Degreed to leave the footprints of good game design in the user experience of that particular cutting-edge learning technology.

*Attention, Relevance, Confidence, Satisfaction.* Does your learning management system do that? All of that? If not, don't be too surprised if your employees go AFK (away from keyboard) and don't want to play your game any more.

**Figure 3.8.1: Typical 'game over' screen – always with the option to try again**



# WINNING AT MASSIVELY MULTIPLAYER ONLINE REAL-TIME STRATEGY GAMES

## Empowering the workforce

**Figure 3.8.2: Job Simulator by Owlchemy Labs.**

Players participate in simulated jobs in a job museum run by robots that look like floating computer monitors with faces. The jobs are tongue-in-cheek approximations of real occupations.



Source: Wikipedia<sup>9</sup>

Let's stop talking about the future of work. It's here. Job Simulator isn't fiction at all. It's a real game where (mostly young) people poke fun at the sometimes ridiculous daily rituals we call office work.

It is a hoot to watch. To live it, not so much.

While we're struggling to engage the talent our businesses need today, people are getting themselves ready for tomorrow. Tomorrow isn't about rocking up at the arcade every day to play eight hours of Frogger (or Crossy Road these days) all by yourself until you beat the high score on that machine and get in the Twin Galaxies hall of fame. The future is a massively multiplayer online realtime strategy (MMORTS) game, played in the digital cloud, against the best the entire world has to offer, around the clock. And you can do it from home.

Is your business equipped for that today? Because this stuff is real.

Careers already span 60 or 70 years. Yet many skills right now have useful lives of just a few years. It is not enough to train people to do existing jobs anymore. We need to build totally new skills while we continuously upgrade and rebuild old ones. Being agile and resilient is nice. Inventing the future everyone else has to adapt to is better. This is not the same old learning and development (L&D).

An article in McKinsey Quarterly sums up this opportunity (and that's what it is) like this:

*L&D can't own detailed knowledge about the skills a diverse workforce needs, but employees can be empowered to share knowledge and take ownership for personal growth and development.*<sup>10</sup>

Do you mean to say people will learn to do things for themselves, by themselves, without a training manual and a three-day instructor-led course?

*That is what's happening in your organisation any way. The future doesn't care how you became an expert. (David Blake, co-founder of Degreed)*<sup>11</sup>

When Tim Quinlan, Intel's Director of Digital Platform for Learning, wanted to learn how to do a VLOOKUP in Excel, he found a course in the company's learning management system easily enough. But it wasn't what he really needed. 'It was going to be available in two months,' he told Degreed. 'But if I did wait, what would I find? It was a three-day course, and I really don't want to know that much about Excel. I just want to know how to do VLOOKUP. So I went to YouTube and I found a two-minute video.'<sup>12</sup>

Sound familiar? Who can afford to read a 100-page manual, attend a three-day seminar and practise for two weeks to compete with someone who just watched a play-through of the entire game in 30 minutes and knows where all the coins are? No point HR scheduling you on an advanced training course next month.

Access to gaining new skills needs to be available on demand, just in time and in the hands of the player. Knowing how to learn and find useful information in a digital maze is a skill in itself, and teaching people how to sip safely from the information fire-hose of the internet is a talent few L&D professionals possess today.

We all have skills and skill sets as unique as our fingerprints. How we acquire these skills differs as much as our individual personalities. There is no one-size-fits-all development plan.

There's passive learning (we pick things up along the way). Then there's watching short videos to solve problems (how to win at Angry Birds, for example<sup>13</sup>). Perhaps delving deeply into subjects and practising your knowledge over many years is what works for you. But regardless of how we acquire our skills, they add to our value to the organisation and employability in the market.

## Are you preparing your employees for the future of work?



Source: Degreed<sup>14</sup>

But here's the rub: No sooner has human resources offered you the job based on your skill set than the paradigm shifts and they need a new or different skill. And this happens almost perpetually in large organisations. Added to this, experts estimate that the shelf life of many skills is decreasing rapidly, from decades to a couple of years. This means the skills that served us yesterday won't necessarily serve us tomorrow.

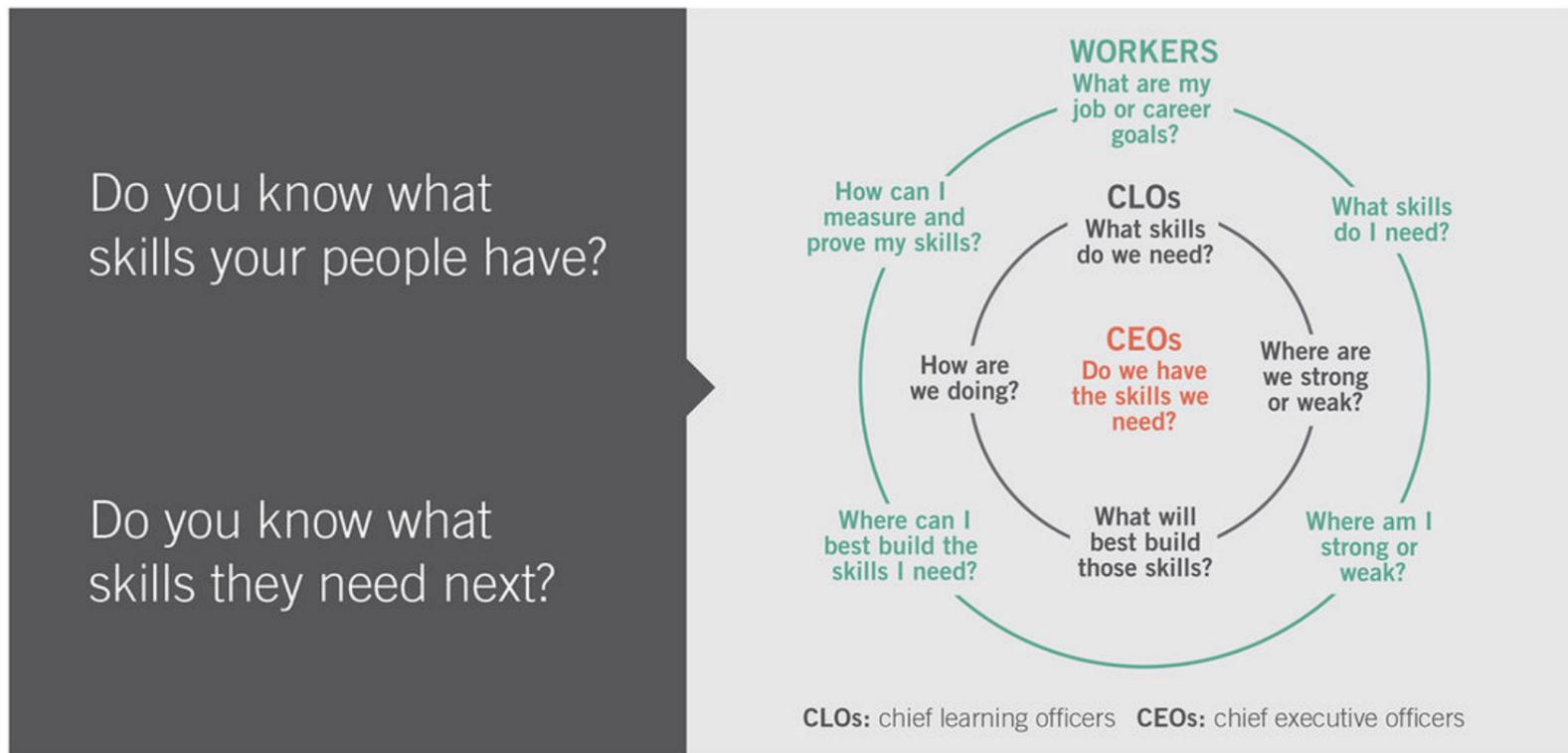
But that game-changing skill can be right there, under your nose, and go unnoticed for years or even forever. Are you one of those companies that said 'no' to the pony-tailed geek from IT five years ago when he wanted to spend some work time figuring out what this cryptocurrency stuff is, and today you're scrambling to send your people to one of his sold-out seminars? When HR told you you're losing your best people to a start-up next door, did you think that buying an X-Box for the rec room would stem the brain drain to the 'cool companies'?

Getting people to develop skills that are not even in demand yet – and having sight of people's skills and capabilities outside the formal training structures – is imperative if you want to be globally competitive these days.

'No CEO in the world can tell me the skills available in their organisation right now,' says Blake.

That is a harsh indictment on hard-working HR folk who regularly have to work into the night to produce workplace skills plans and talent reports and recruitment drives. In this case, it's not people who are letting us down but an archaic system designed to meet the needs of a bygone era.

Figure 3.8.3: Do you have a game plan for skills development?



Source: Degreed^15

## Does HR have the data to spot talent?



Source: Degreed^16

Even if you could identify the future talent in your organisation, there is no way you can track every single thing they are learning, or coordinate learning to the available schedules of hundreds of groups, or come up with an individualised, targeted development plan for thousands of people. It just can't be done ... can it?

If you ran your L&D like a MMORTS server, it most certainly can.

Digital technology like Degreed brings massive multiperson online real-time learning capabilities to an organisation in the same way the cloud makes MMORTS games possible. It doesn't matter where in the world you are, what you want to learn, how you want to engage with the material or even why you're spending time doing it in the first place. If you have a logon, you can learn a new skill.

Now, isn't that empowering?

Imagine knowing, with the click of a button, every person, every topic of interest, every piece of learning consumed and every skill added to your organisation, every day. A level map of the entire game, if you will. Would that help you to identify and direct the innovative behaviour you want? Would that help you spend your L&D budget on the right things? Would that help you pick your next A-team for Mario Strikers Charged?

If you could, wouldn't that make good business sense?

Alexander Forbes Empower is committed to identifying, growing and unlocking the potential of human talent in Africa.

Learn more about how you can empower your employees at <https://alexanderforbes.co.za/empower>

## References

1. BizNews. 2018. *In a Nutshell: Executive Summary of 2018 National Budget*, 21 February 2018 (online).
- 2 Strauss, V. 2013. *Nelson Mandela on the power of education*, The Washington Post, 5 December 2013 (online).
- 3 Mercer. 2017.  *Mercer Global Talent Trends Study 2017: Empowerment in a Disrupted World*.
- 4 Amabile, T & Kramer, S. 2011. *Valuing your most valuable assets*, Harvard Business Review, 10 October 2011 (online).
- 5, 6: Kapp, K. 2011. *ARCS Model: good for game design*, 13 June 2011 (blog).
- 7 Kapp, M & Coné, J. 2012. *What every chief learning officer needs to know about games and gamification for learning*, Department of Instructional Technology and Institute for Interactive Technologies, white paper, p. 4 (online).
- 8 Wikipedia. 2018. *'Game Over'*, 10 July 2018 (online).
- 9 Wikipedia. 2018. *'Job Simulator'*, 22 June 2018 (online).
- 10 Benson-Amer, R, Gast, A & Van Dam, N. 2016. *Learning at the speed of business*, McKinsey Quarterly, May 2016 (online).
- 11,14 Degreed. 2017. *Report: The Innovator's Guide to Learning Technology* (online).
- 12 Degreed. 2017. *Top 3 practices of successful CLOs*, 22 June 2018 (blog).
- 13 Heussner, K. 2010. *How to beat Angry Birds: A beginner's guide*, ABC News, 23 December 2010 (online).
- 15 Degreed (2017).
- 16 Degreed (2017).

