



# GAMIFICATION

AND YOUR ENTERPRISE LEARNING STRATEGY

WORKBOOK

Axonify™



# Table of Contents

- Introduction.....3
- What is Gamification? .....3
- Gaming vs. Gamification.....4
- Key Elements of Gamification.....4
- Aligning Gamification with Corporate Goals and Learning Strategies.....5
  - 5 Step Gamification Work-plan.....5
- Making a Case For Gamification.....12
- Gamification Requirements Gathering.....12
  - Requirements “Selection Tables”.....14
- Conclusion.....16
- About Axonify.....17



## Introduction

While gamification is getting a lot of hype these days, there's not a lot of practical advice on how it can fit within your learning strategy, or how it can support your business goals.

Like any other corporate initiative, gamification deserves to be evaluated properly, to ensure that you are not only implementing it for sound business reasons, but so you can recognize the business results as they are achieved.

The purpose of this guide is to provide you with the information and tools you need to successfully build and present your gamification strategy. In this workbook, we will:

- Give you a basic understanding of what gamification is.
- Identify why you should be incorporating gamification into your learning strategy.
- Provide a step-by-step work-plan to show you how to integrate gamification into your learning strategy and align with corporate objectives.
- Identify what gamification functionality you need for successful implementation.

## What is Gamification?

At its simplest, gamification is the process of making non-game activities more fun and engaging. Karl Kapp, a respected expert on the convergence of learning and technology, defines gamification as “a careful and considered application of game thinking to solving problems and encouraging learning using all the elements of games that are appropriate.”

The basic characteristics of gamification include:

- Simple cues to define next actions
- Clear, instant feedback
- Easily identified ranking and performance
- Easy-to-understand progression paths



## Gaming vs. Gamification

While gamification is based on gaming and game-based learning, it is not the same thing. Game-based learning is the use of a self-contained game - with a defined start and end - to convey knowledge, skills and abilities. Game-based learning is often used as a one-time event to provide insights and instruction in a formal learning setting, either online or within a classroom: examples that we're all familiar with include flight simulators, or survival team-building games.

Games and simulations have been in use for some time as learning tools. However, they can be expensive to deliver and integrate into existing learning curriculum: designing and programming games takes much longer than developing a learning plan and small learning modules.

That's where gamification comes in. Gamification uses all of the best attributes of games that bring out people's natural desire for competition, achievement, status, self-expression, altruism and closure, without requiring an end-to-end learning game. People participate in learning activities that include game elements such as earning points, overcoming a challenge, or receiving badges for accomplishing tasks; but without the rigid start-stop, win-lose structure of a traditional game. Gamification is also often used to engage people in learning when and where it's convenient: information is often distributed in shorter bursts over a long time period and not meant to be learned in one setting.

While gamified learning can be delivered in a classroom, it's gaining real traction in online learning environments, where game elements can be combined with technology to deliver a learning environment that closely mimics games that people prefer.

## Key Elements of Gamification

While there is no hard-and-fast checklist of what gamification must entail, in general, there are a few frequently implemented elements.

**Gamification is objective-oriented.** A clearly defined goal is a crucial part of any gamified system. Commonly referred to as a "win state," it defines the purpose of the learning, and establishes exactly what needs to be accomplished: *people need a specific goal.*

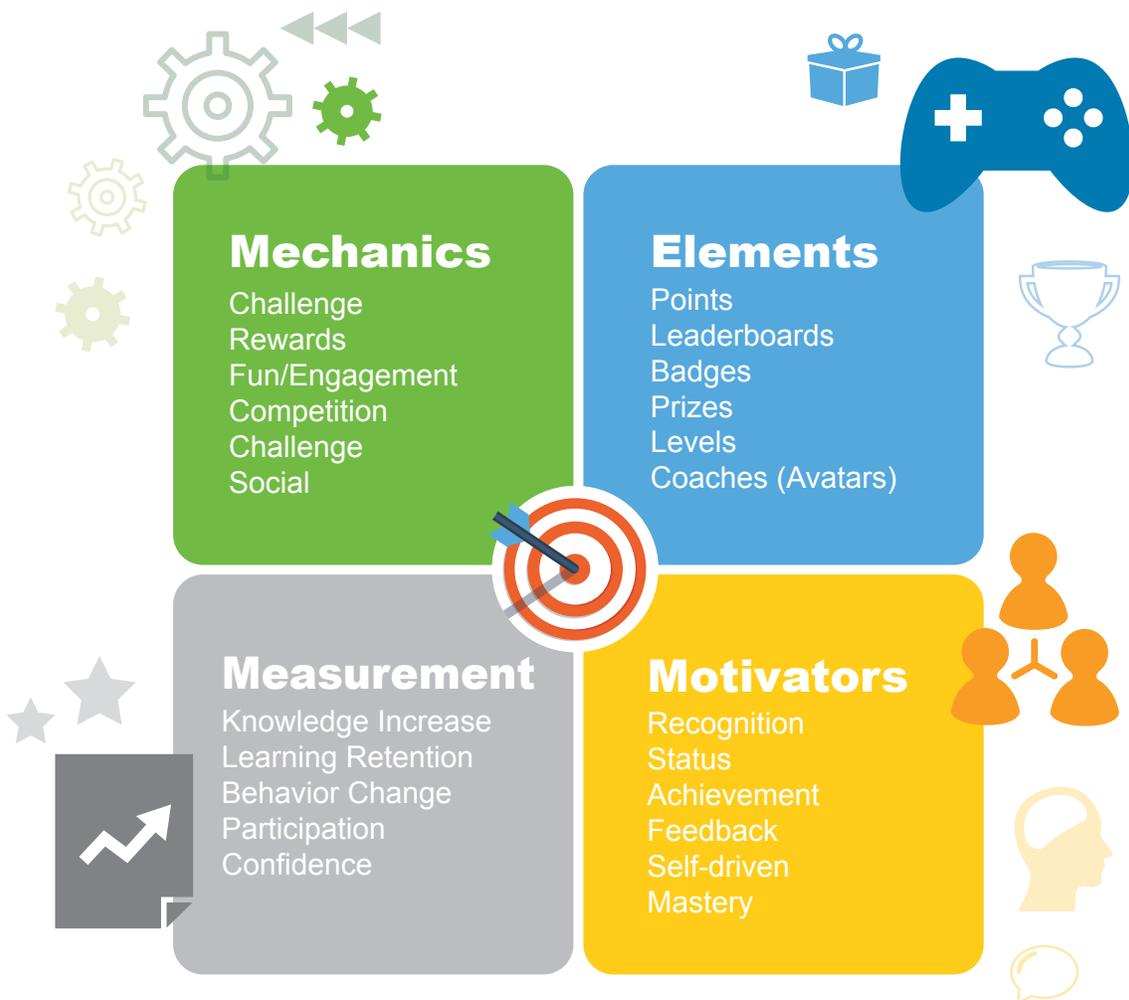
**Gamification encourages autonomy.** In order for the benefits of gamification to take hold, the participants need to be self-directed both in their approach and their motivation. Gamified systems are created in such a way as to capitalize on people's intrinsic desire to succeed: *people prefer tasks that are self-determined over externally imposed.*



**Gamification is interactive.** Unlike many traditional classroom learning paradigms, gamification relies on a high level of interactivity to promote engagement, giving users interactive tasks to complete to encourage a more active learning process: *people like to have fun.*

**Gamification features rewards that are scalable.** Understanding how gamified systems use rewards is key to proper implementation. Scalability is a hallmark of rewards within gamification. Low initial barriers to entry give way to greater rewards in exchange for completing more involved and complex challenges: *people can be encouraged to keep trying harder.*

**Gamification is feedback-driven.** In order for users to remain aligned with the goals set out by the gamified system, steady feedback is required. Such feedback serves as both a visible marker of progress and a source of positive reinforcement encouraging continued participation: *people like to feel like they've accomplished something.*





## How Gamification Supports Learning Strategies

Training and Development professionals have long known that traditional training practices are not effective enough: *research has shown that the retention of knowledge from standard classroom training is not much better than about 10 percent.*

However, over the past few years, businesses have realized that the impact of training can be vastly improved by using the best attributes of gaming. There are some compelling reasons for this.

**People of all ages love games.** Some 67 percent of American households play computer or video games – and while 26 percent of those are over the age of 50<sup>i</sup>, it's the 74 percent under age 50 that are moving into the workforce with their strong preference for games.

**Gamification improves engagement.** As a fun activity that mimics entertainment, gamified learning is an activity that people readily embrace. Because it's fun, it creates less resistance to learning, and is also less stressful than traditional learning involving lectures and formal tests. When gamification is used to create team-learning activities, it fosters social interaction and creates a sense of belonging and importance to the team and the organization. The Aberdeen 2013 Onboarding Report<sup>ii</sup> pointed out that organizations with gamification in place improve employee engagement by 48 percent, a full 20 points higher than those who do not. Further, they also note that companies with gamification integrate onboarding and learning more effectively.

**Gamification boosts achievement.** People enjoy competition – whether against themselves or others – and gamified elements such as leaderboards for peer recognition, or points systems for tangible rewards feed into the intrinsic and extrinsic motivators that drive people to participate.

**Gamification encourages people to seek knowledge.** Many of the games people routinely play require them to obtain knowledge, which helps condition them to the same approach in a gamified learning environment, especially if there are rewards involved.

**Gamification encourages perseverance.** In a traditional training environment, poor test scores are often extremely demotivating. When playing games though, people routinely experience failure and understand that if they keep trying, they will eventually succeed. They bring that attitude with them into a gamified learning environment, and keep persevering even if test scores are not as good as they would like.

i Entertainment Software Rating Board, <http://www.esrb.org/about/video-game-industry-statistics.jsp>

ii Gartner, <http://www.gartner.com/newsroom/id/2211115>



**Gamification helps employees gauge their progress and performance.** With periodic testing and immediate feedback, incorrect skills and knowledge can be corrected in real-time, while successful answers and actions receive immediate positive reinforcement.

**Gamification enhances traditional training techniques.** Gamified learning is particularly strong in helping enhance the retention of learning, through techniques including repetition, association, elaboration and stories. But it's equally as strong in enhancing behavior-based learning, where the goal is to shift employee attitudes, values and beliefs.

**It's here to stay.** As a strategic initiative, gamification is growing in business. Gartner predicted that by 2015, 40 percent of Global 1000 organizations<sup>iii</sup> will use gamification as the primary mechanism to transform business operations. Various businesses already use gamification to increase customer retention, help people improve their health, grow recycling initiatives and even boost sales.

iii Is It Time to Gamify Your Onboarding Program? Aberdeen Group, February 2013



## Aligning Gamification with Corporate Goals and Learning Strategies

Training and development represents the highest human capital cost for your business, so it's important to evaluate all training investments in terms of how they'll align with your corporate goals. What specific business problem do you want to solve? Who are you targeting? What behaviors do you hope to alter or improve? Gamification can be effective in positively impacting any number of business issues—often several simultaneously.

This section provides you with a **5-Step Work Plan** to help you get started with your gamified learning strategy. It serves as the foundation for building a methodical business case, which can be used to introduce gamification to your company and influence key stakeholders.

<b>1</b>	<b>ISOLATE AREA OF STRATEGIC IMPORTANCE</b>	Identify an area of strategic importance to your organization, whether it is a high priority initiative or an issue that is impacting business results.
	<i>Example 1:</i>	<b>Toys”R”Us Canada</b> identified rolling out their Omnichannel strategy to drive revenue by creating a seamless customer experience across all channels.
	<i>Example 2:</i>	<b>Ethicon (a J&amp;J company)</b> was looking for a way to increase employee product knowledge to drive sales.
	<i>Example 3:</i>	<b>Walmart</b> had a strategic initiative to reduce safety incidents within their Logistics organization.
	Note your top issues here:	



<b>2</b>	<b>IDENTIFY TARGET GROUP</b>	Select the most critical or influential group within your organization that will have the greatest impact on the initiative identified in <b>STEP 1</b> .
	<i>Example 1:</i>	<b>Toys”R”Us Canada</b> selected their retail Associates.
	<i>Example 2:</i>	<b>Ethicon (a J&amp;J company)</b> selected their sales reps.
	<i>Example 3:</i>	<b>Walmart</b> chose their logistics employees.
	Note your target group here:	
<b>3</b>	<b>IDENTIFY TARGET BEHAVIOR</b>	Considering the initiative or issue isolated in <b>STEP 1</b> and the target group selected in <b>STEP 2</b> , identify what behaviors you need to change or actions you’d like to influence.
	<i>Example 1:</i>	<b>Toys”R”Us Canada</b> wanted their retail Associates to learn, internalize and consistently apply their Omnichannel principles when dealing with their customers.
	<i>Example 2:</i>	<b>Ethicon (a J&amp;J company)</b> wanted their sales reps to remember and apply product and procedural knowledge with their medical clients.
	<i>Example 3:</i>	It was critical to <b>Walmart</b> that their employees embrace and apply safe working practices everyday on the job.
	Note target behaviors here:	



<b>4</b> <b>DETERMINE PURPOSE</b>	It's important to be clear about <b>why</b> you would like to add gamification to your learning strategy for this particular group, to solve this particular problem.
<i>Example 1:</i>	<b>Toys”R”Us Canada:</b> It’s critical that Associates internalize the core principles and application of their Omnichannel strategy. Gamifying the learning experience will encourage participation and engagement.
<i>Example 2:</i>	<b>Ethicon (a J&amp;J Company):</b> With constantly evolving products, it is difficult for sales reps to keep knowledge top of mind and since reps tend to sell what they know, leveraging game mechanics such as rewards and competition will increase participation and knowledge retention.
<i>Example 3:</i>	<b>Walmart Logistics:</b> Safety awareness content and training can be boring, repetitive and difficult to retain. Gamification will engage Associates, drive participation and knowledge retention.
Note purpose here:	



5

<b>DEFINE SUCCESS</b>	As with any initiative, “results” will be key in measuring the effectiveness of your program. Define a clear set of business objectives that can be measured against your gamification strategy.
<i>Example 1:</i>	<b>Toys”R”Us Canada:</b> 90% Omnichannel knowledge retention. Successful rollout of Omnichannel strategy.
<i>Example 2:</i>	<b>Ethicon (A J&amp;J Company):</b> Increased rep confidence by 80% and revenue by 10%.
<i>Example 3:</i>	<b>Walmart Logistics:</b> Reduce safety incidents by 5%. Create a “safety culture”, measured by the number of conversations and levels of engagement around safety practices.
Define how you will measure your success here:	



## Making a Case for Gamification:

Now you understand the definition and key benefits of gamification as they relate to learning. You've worked through building a business case that aligns with corporate goals and have a clear and measurable solution to sell through to your executive team. You are in a position to:

- Identify the top training issues that your organization is facing today and explain how those issues are costing the company in terms of lost revenue, lost productivity, customer loyalty, etc.
- Introduce gamification as the solution to those issues, presenting the concept as an effective and sustainable learning strategy.
- Share case studies of similar companies solving similar issues with a gamification program.
- Detail the solution benefits and how you plan to measure, and achieve anticipated results.

## Gamification Requirements Gathering

If you've been successful in relating the principals of gamification to your organization's business objectives, then the next step is to determine what you *need* from a gamified learning solution.

### Establish Clear Objectives

What should you look for in a gamification solution? Focus on a realistic, actionable implementation that gives you a wide range of tools to deliver your learning, a rich and engaging user experience, and analysis tools to gauge learner achievements as well as the effectiveness of your gamified learning.

### Consider the User

The cardinal rule of any successful gamification strategy: **Know thy audience.**

- What motivates them? Challenge? Competition?
- What do they value? Rewards? Recognition?

What motivates your sales team may not be the same as your customer service team. What inspires your management team may be different from your in-field professional. Is there a need for organizational-wide training? Locational? And/or team specific?

Really consider who you're trying to reach (this may be more than one group) when researching a gamification solution to ensure the mechanics match the motivators.



The **'selection tables'** on the following pages will help you prioritize the gamification elements that align with your business objectives. The results of this exercise will help you build a thoughtful requirements plan as you research and evaluate gamification vendors in the marketplace. The selection tables are based on the following mechanics:

#### Challenge:

Many people are motivated by a need to achieve, to accomplish something difficult through prolonged and repeated efforts, to work towards goals, and to win. People motivated by achievement tend to seek out challenges and set moderately difficult (but achievable) goals. Their most satisfying reward is the recognition of their achievements.

#### Rewards:

Human beings are motivated by receiving rewards — something of value given for some kind of action. While intangible rewards such as recognition, interesting challenges, and badges motivate many people to learn, by adding tangible rewards employers can dramatically drive participation and enhance the overall learning experience. These rewards can vary to suit your company culture, including everything from gift cards to vacation days.

#### Engagement / Fun:

Seeing points accumulate as actions are taken establishes a clear and instant reward system, and provides an immediate indication that the user is getting closer to their goal. Continually accomplishing small goals in order to reach a larger goal is often what makes this process both fun, and addictive. Gamification organically increases engagement, which in turn increases participation, and more importantly, maintains that participation. Engaged participants often encourage or refer their friends, who participate based on peer recommendation.

#### Competition:

Both teams and Individuals are often motivated by competition. It has been proven that higher levels of performance can be achieved when a competitive environment is established and the winner rewarded. We gain satisfaction by comparing our performance to that of others. All elements of game mechanics tap into this desire, but the use of leaderboards is central to display competitive results and celebrate winners. Most games provide at least a top ten list, and using that public display to indicate new levels achieved, rewards earned, or challenges met can be a great motivator to all players

#### Social:

One of the most powerful engagement tools in next-generation online-learning environments relates to social connectivity—connecting employees to each other, to learning content, and to the organization. Providing a forum for employees to engage socially and contribute content is not only beneficial, but in the age of Facebook and Twitter, it's expected.



\*For each game element, assign a value rating between 1 and 5 (with 1 being 'not very important', and 5 being 'critically important'). Remember to always consider your target audience in your selection.

<b>Challenge</b>	1 Not Important	2	3 Neutral	4	5 Critically Important
Levels	<input type="radio"/>				
Time	<input type="radio"/>				
Progress	<input type="radio"/>				
Other Challenge Elements _____ _____	<input type="radio"/>				

<b>Rewards</b>	1 Not Important	2	3 Neutral	4	5 Critically Important
Prizes	<input type="radio"/>				
Badges	<input type="radio"/>				
Points	<input type="radio"/>				
Other Reward Elements _____ _____	<input type="radio"/>				

<b>Engagement / Fun</b>	1 Not Important	2	3 Neutral	4	5 Critically Important
Game Play	<input type="radio"/>				
Feedback	<input type="radio"/>				
Coaches (Avatars)	<input type="radio"/>				
Other Engagement Elements _____ _____	<input type="radio"/>				



<b>Competition</b>	1 Not Important	2	3 Neutral	4	5 Critically Important
Individual Leaderboards	<input type="radio"/>				
Group/Team Leaderboards	<input type="radio"/>				
Team Prizes	<input type="radio"/>				
Other Competitive Elements _____ _____	<input type="radio"/>				

<b>Social</b>	1 Not Important	2	3 Neutral	4	5 Critically Important
Newsfeed	<input type="radio"/>				
Surveys	<input type="radio"/>				
Invite/Referral Tools	<input type="radio"/>				
Other Social Tools _____ _____	<input type="radio"/>				

**Requirements Gathering Results:**

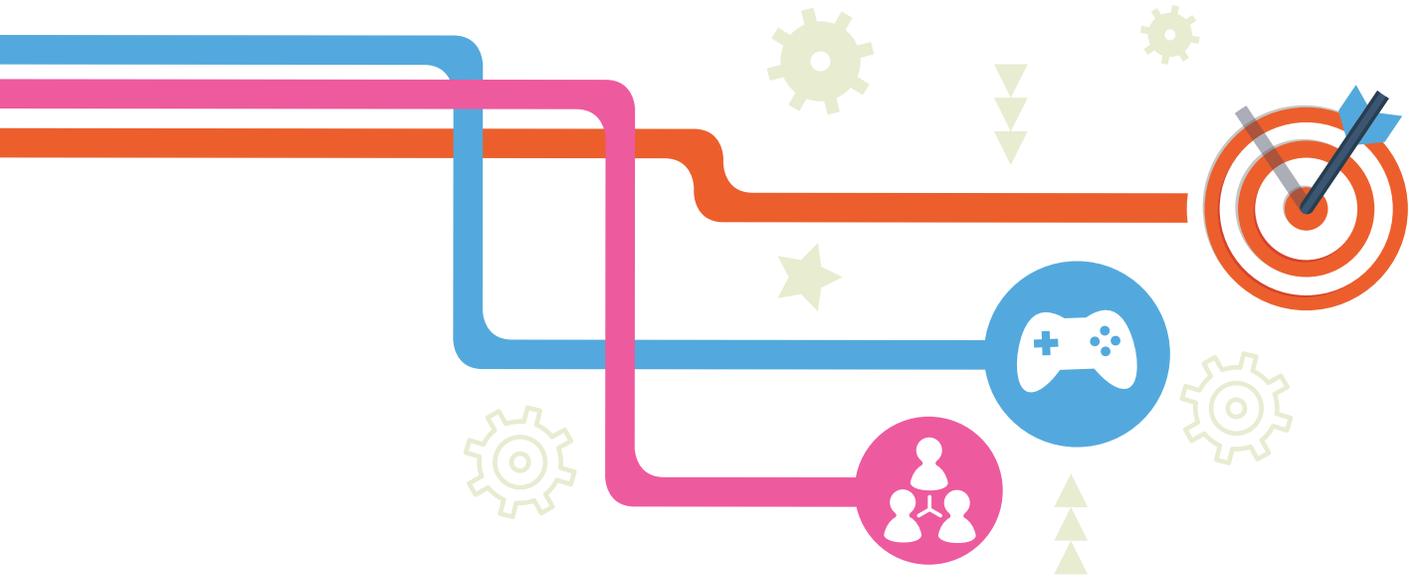
Upon completion of this table, you'll be able to clearly identify the critical game mechanics, in order of importance, that align with your specific learning objectives. From this vantage point, you'll be in an informed position to evaluate each gamification provider, in accordance with your specific needs.



## Conclusion? Game On...

It's important to analyze gamification like any other business initiative, and not just be swayed by the novelty and hype. While estimates show that more than 70% of Global 2000 organizations will employ gamification techniques by 2014, the same research notes that many of those projects will fail unless they are designed thoughtfully. It's imperative to do your research and create a well-defined approach before you gamify. By considering gamification as part of your larger learning ecosystem, you can ensure that you are positioning your gamification initiative – and employee learning – for maximum success and positive effect on your bottom line.

We hope you found the tools presented in this strategy workbook to be useful. But if you have any questions, please don't hesitate to contact us at: [www.axonify.com](http://www.axonify.com) or 1-855-AXONIFY.





## About Axonify

Axonify is the worldwide leader in sustainable learning.

We believe it's time for corporate education to contribute to the bottom line.

**Directly. Measurably. Sustainably.**

But to do that, training needs to change. And that's our mission.

Our mission is to change the way companies think about and deliver corporate learning, to maximize corporate investment in training, drive measurable financial objectives, and change company culture. We do this by creating a learning experience that leverages the perfect combination of science, technology and fun.

### **An Award-Winning Team**

We are an award winning team of software developers and learning specialists based in the Canada's world-renowned technology hub, Waterloo, Ontario. In addition, we've teamed up with brain science leaders from Faculty of Health at York University and the prestigious Rotman Research Institute at Baycrest to better understand and leverage cutting-edge neuroscience research and its impact on human learning mechanisms.

### **With World-Class Customers**

Our customers are companies like yours, on the lookout for ways to improve the ROI of their corporate learning, to develop more engaged, higher performing employees and create a vibrant, forward-thinking corporate culture.

### **Our Bottom Line?**

Quite simply, to measurably drive bottom-line results for our customers.

Axonify serves a wide range of industries and more than a few well-known companies – like Toys”R”Us, PepBoys, Johnson & Johnson and Walmart – with learning and awareness initiatives that continue to add value in sales, customer service, and worker safety.

For more information, visit us at [www.axonify.com](http://www.axonify.com), or call us at **1-855-AXONIFY**.

