Exploring the concept of Gamification for better Employee Engagement in Hybrid Work Environment.

Dr. Shachi Yadav

Gyani Pegu , Nongzaimayum Tanweer Alee Shah, Rakshi Lakra, Riya Bharti,

AVB-SME



Jawaharlal Nehru University

Abstract

With increasing competition and technology, employers worldwide are beginning to realize that employees are their most precious assets. The study is undertaken by researchers to get an insight into how gamification of business processes of an organization may help them harness employee loyalty and build a stronger employer-employee relationship. This paper also looks at the emerging trends and techniques in the area of gamification across organizations. A systematic review of gamification literature was undertaken by the researchers to explore the factors contributing to an effective employee engagement program with technology and gamification. The study tries to gather evidence towards the potential that gamification has to increase employee engagement when it has been properly designed and administered.

Keywords: Gamification, Employee Engagement, Hybrid Work Environment, Gamified solution, Employee Motivation, Millennials, Game Dynamics, Game Mechanics, Human Resource Management.

Introduction

Games have this fantastic ability to hold people's attention for a long time. Also, it builds a relationship, win recognition, and develop creativity. This particular characteristic or element of games is gaining popularity within the realm of business. Gamification is usually described as the application of game elements to a non-game context. In simple terms, gamification uses the thing or the characteristics we like about the game and adds them to everyday activities to make them more attractive. Gamification is one of the best ways to change people's behavior or habits. It has the potential to transform our workplace. Understandably, it makes sense to apply this technique to enhance employee engagement in an organization. Employee engagement levels worldwide are at an all-time low. Many HR professionals and business leaders look at gamification to boost employee engagement and morals to reverse these trends.

The purpose of this paper is to highlight the importance of gamification of employee engagement in an organization. This paper also looks at the emerging trends and techniques. Efforts are also made to identify the key components that can help conceptualized the gamification of employee engagement.

With increasing competition and technology, employers worldwide are beginning to realize that their employees are the most precious asset. Different generations of employees, from baby boomers to millennials, have varying attitudes toward the workplace (Narayanan, 2014). With the number of millennials joining the workplace gaining each year, gamification can be a key to motivating and engaging this new workforce. Study shows that significant productivity improvement can be achieved by augmenting a business process with game mechanics (Smith, 2011). Thus, it is of utmost importance to explore how various organizations are applying innovative approaches to their employees' engagement strategies by leveraging numerous gamified techniques. Therefore, this paper gives an insight into how gamification of business processes of an organization may help them harness employee loyalty and build a stronger employer-employee relationship. Finally, we also shed some light on the longer-term gamification as games can and will be a crucial component of the workplace in the near future (Smith, 2011).

Employee Engagement

Employee engagement is the emotional commitment an employee has towards an organization or a company and its goals (Kruse, 2015). This emotional commitment will lead employees to care about their work and their organization. They do not merely work just for a salary, or just for the next appraisal, but work on behalf of the organization's goals.

Employee engagement does not necessarily mean employee happiness. An employee might be happy with his work, but that might not mean they are working hard or productively on behalf of the company. Making employees satisfied and happy is different from making them engaged. Employee engagement is different from employee satisfaction. Many companies and organizations have "employee satisfaction" and "employee engagement" survey to measure them both. It is possible that a satisfied employee will show up for her daily 9:00 am to 5:00 pm duty without complaint. However, that same "satisfied" employee, on most occasions, might not go the extra effort on her own, and she would probably choose to stay home. This is entirely justifiable; hence, the satisfied employee is not enough for an organization.

Employee engagement is a two-way commitment and communication. It relies on trust and integrity between an organization and its members. Employee engagement is an approach that has the potential to increases business success. It can add a significant contribution to organizational and individual performance, productivity, and well-being. It is possible to measure the engagement level, and it varies from low to high. It is observed across the industries and the world that employee engagement could be nurtured and increased. It could also be lost and thrown away without even realizing the consequences or what causes it.

Gamification

Gamification is defined as applying typical elements of game playing, for example, elements like point scoring, competition with others, rules of play, etc., to other areas of activity. Gamification has already been widely adopted as an online marketing technique to encourage engagement with a product or service. In terms of the business world, gamification is defined as applying game-design mechanics, elements, and game principles to various business processes.

While the word gamification was coined in times that are more recent and its application in the business world fairly new, the concept has existed with us in many sphere of life for as long as

civilization has existed. Gamification of certain business processes could provide them with a wealth of customer behavior data and valuable insights into their customers' activities. This information is a big part of the data stream that can help businesses improve operational practices and identify new marketing opportunities.

Hybrid Work Environment

Hybrid Work Environment is a work environment or a business model that accommodates both 'Work from Home' and 'office work.' With the shifting global trend, traditional businesses are moving towards a more hybrid work Environment to facilitate a larger workforce. It is important to consider employee engagement with this work environment perspective as traditional employee motivation or engagement method needs a supplement to effectively drive an employee's intrinsic motivation.

Research methodology

To have a clear picture of how gamification has evolved over time and synthesize current thinking, a systematic review of gamification literature was undertaken by the researchers. Emphasis is given to certain human resources areas that can drive employee engagement. Literature for this paper is sourced from management journals and internet searches. All quantitative data or resources are secondary in nature. Existing studies are explored extensively. How it is being implemented are looked into and discussed along with possible outcome and advantages. A particular view has been given to Indian society, economy, and work culture in perspective. Researchers have tried to explore the factors contributing to an effective employee engagement program with technology and gamification.

Existing Studies and Exploration

Over time, the concept of gamification has endured a wide range of molding and evolutions to reach the current state of affairs. In the traditional sense, gaming is considered a free-time activity to engage oneself in his/her leisure time. Millions of people spend countless hours of each day across the globe on video games (Ong, 2013). The idea is that people, in general, are keen on having fun or relaxing by engaging in video games. This leads to an assumption that the performance of some action in a playful way or form could increase emotional involvement. Initially, businesses were skeptical, and gamification applications were limited to the field of

education in elementary schools and kindergartens. Gamification has grown out of this limitation and is extensively applied by businesses in customer loyalty schemes, performance measurement, and routine workplace tasks, to name a few.

Over time, gamification as a concept has gone through various modifications until it reaches the definition as we know it today. However, gamification has been in existence in some form or another for a century now. The first-ever recorded use of gamification in business was in 1896 by Sperry & Hutchinson Company. They develop a marketing strategy that was aimed at retaining the existing customer-a type of loyalty program. Sperry & Hutchinson distributed custom-made stamps at various outlets such as shops, supermarkets, and gas stations. The customer would receive these stamps after purchase from such outlets. They could then exchange these stamps for prizes from Sperry & Hutchinson. It became trendy and generated much such similar marketing strategy worldwide (Hatala, 2013)

The next important milestone in gamification is the creation of a computer game call MUD1 or Multi-User Dungeon by Roy Trubshow in 1978. It was one of the first games where multiple users share the same virtual world (Wolf, 2007). Since its inception in 1978, it gained immense popularity and served as a base for all future multiplayer role-playing games. From these games, all the principles and methods of gamification originated (Robson, et al., 2015). Though out the 1980s implementation of gamification on mainstream businesses start taking shape. Many industries, such as airlines, hotels, and car rentals, start offering reward-based loyalty programs. Companies in these industries still offer a wide range of loyalty programs based on gamification principles and their mechanics.

The year 2002 shows the first-ever use of the word "Gamification." Nick Pelling, a video game designer by profession, launched a business project to combine game dynamics and programming with strategic management. However, the company soon closed down as the public at that time had a low interest in gamification (Data Newsroom, 2012). Around the late 2000s, several business representatives began to adopt gamification and started creating a gamified online platform for a purpose other than online games-specially in customer engagement or loyalty-related areas. By 2010, the term gamification became a trend, and many sectors across the globe began to adopt it. Many businesses and organizations start implementing gamification in their operations.

Among the academia as well, gamification began to gain popularity from 2010 onwards. Most of the articles and journals on gamification are written after this period. Deterding and his colleague did one of the first studies. They try to define the term gamification and investigated its origin and related concepts. The popular definition of gamification, which is 'use of game design elements in non-game contexts,' came from this study (Deterding et al., 2011). Huotari and Hamari, on the other hand, defined gamification from a service making perspective. They proposed that gamification is a process of enhancing a service with game-like experiences. And this is to support the user's overall value creation' (Huotari & Hamari, 2012). This definition was written by considering the customer as the main value creators for a company.

Gamification could be viewed as persuasive technology. Its main aim is to influence human behavior using game design elements to activate their motivation (Blohm & Leimeister, 2013). Game mechanics and game dynamics make up the game design elements (Zichermann & Cunningham, 2011; Blohm & Leimeister, 2013). Tools that are used to gamify an application is referred to as game mechanics, while game dynamics is the desired motivation that would emerge from the player's interaction with the gamified application (Zichermann & Cunningham, 2011). The framework on which these game designs are established is known as MDA-Mechanics, Dynamics & Aesthetics framework. This framework is there to help guides the conceptualization of the game dynamics and its desired outcomes. Base on this, a game designer could then design the gamified application (Hunicke, LeBlanc & Zubek, 2004). The next section looks into this deeper.

Implementation of Gamification

Companies are predominantly using gamification to engage customers and interact with customers through activity or community. Education is another sector where gamification has been adopted significantly. Many companies across the globe have now started applying gamification in human resources as well. Employee engagement, recruitment, and onboarding are some areas in HR that have seen increasing gamification adoption in their operation.

The gamification technique exploits the human desire for achievements, status, self-expression, and completion. The basic tactic of gamification is to provide rewards to those players who accomplished their task. Points, badges or levels, virtual currency are some of the different types of rewards or game mechanics that are being used (Rishi & Goyal, 2013). The change in the

employee composition, in general, could be a reason that gave rise to the need for such a technology as gamification. The workforce in companies and organizations now is dominated by echo boomers or Gen Y. This generation is hugely influenced by and dependent upon technology. Their way of engagement and communication is deeply rooted in the rise of technology in general and video games in particular. Hence, it makes sense for an organization to deploy gamification as an effective tool to engage and interact with their employees and consumers (Narayanan, 2014).

One of the first examples of gamification in the HR process was the US army recruitment process of 2002. They came up with a game called America's Army, which gave prayer with an opportunity to experience realistic situations and soldier duties. It was also designed to collect player's data and analyzed them so that they can identify those individuals who have great potentials and can perform well as a soldier. The Army would then target these individuals for recruitment. It was also a means of promotion for the US Army (Lowman, 2016). Marriott, a hospitality industry leader, did another similar implementation. They created a Facebook game called 'My Marriott Hotel' in 2011. This game was a gamified simulation of hotel works and the player's tasks were managing different duties of a hotel business like kitchen work, room services, etc.

Players would be promoted base on how good their management is. Throughout the game, players can go through a link that says 'Do it for Real' and take them to Marriout's career website. Analyzing the data gathered from the game, the player would then be presented with a position that best suits their personality (Lopez, 2011). In this way, they were able to target talent that rightly matches their personality.

According to Kevin Werbach, gamification can be of three types, judging its area of implementation by the business. It can be applied to the external or the internal environment of the business, and the third one is in changing behavior (Gryaznova, 2019). Kevin Werbach is an American professor and authored the book 'For the Win.' He is currently an Associate Professor at The Wharton School, University of Pennsylvania. The above-stated examples give a view of how gamification can be applied to the business or a firm's external environment. Loyalty programs and other schemes to increase customer engagement is also a way of applying gamification to a business's external environment. Internal Gamification, on the other hand, is

aimed at employees within the company. Uber Technologies Inc uses gamification in such a way that they make drivers compete with each other by working faster and longer. They also applied a game design concept called 'ludic loop' to motivate drivers on their network to stay longer on their job (Scheiber, 2017). Natasha Schüll coins the term Ludic loop. She is an anthropologist and slot machine, expert. According to her, 'it is a kind of mental state a player would experience or feel when progressing towards a goal that is just beyond their grasp always.' (Schüll, 2014). Tetris video games and slot machines for gambling are the best examples of games that rely on this concept and can induce players with such feelings. Gamification that works on behavior change is adopted by a business to influence the social interactions of its user. Health apps that help users with work out and nutritional plans illustrate how behavior-changing gamification works. This type of app builds a community among its users and applies game design elements such as leaderboard, achievements, and badges, etc., to entertain them.

Gamification is also heavily adopted in education and, by extension, to training and learning. Businesses across the globe are beginning to adopt gamification in their training and onboarding process. It can enhance the learning of an employee by introducing them into a practical environment that closely resembles a real business problem. Gamification of training and onboarding process can help new employees adapt quickly to the company culture, rules & regulations, policy, etc. Additionally, it can also help in motivating existing employees to develop or learn a new skill. (Armstrong & Landers, 2018). Gamification also has great potential to motivate the employee and thereby increase employee engagement; however, it is essential to note here that gamification does not terminate the traditional ways of employee motivation and engagement. Rather, it supplements in inducing intrinsic motivation of employees (Nelson, 2016). For gamification to work, proper planning and appropriate execution is a necessity.

Viewing how Microsoft solve one of their most significant challenge faced while releasing an operating system and software to a worldwide customer should help visualize the importance of proper planning and execution necessary for gamification to work. To cater to these varied customers, all of the language used in their products needs to be localized. Ensuring the translations are accurate was a huge challenge for one of the Microsoft testing team. To address this issue, they come up with a gamified solution call 'Language Quality Game.' Every Microsoft employee from around the world could participate in it. The main purpose of the game was to

find errors in the language translation used on their products. Employees are awarded points for each error they found. These points were used to establish a leaderboard among the employees. The game proved to be very successful and motivated their employees to do something that was not part of their duty (Chiang, 2010). Another similar game at Microsoft call 'Communicate Hope: A Benefit for Disaster Relief' lets employees test their software features. In this case, points collected by the players in the game are not just for high scores and competing in the leaderboard. Microsoft will donate real money whose amount is proportionate to the players' collective points to disaster and relief agencies. According to Ross Smith, who is the director of product testing in the Unified Communications Group at Microsoft, more than 8,000 employees have participated in this particular game so far (Chiang, 2010). This shows how gamification could encourage employees to develop intrinsic motivation, which has a significant impact on productivity and cohesion.

Gamification without proper planning and design could lead to its failure. It is always important to consider and understand how employees are motivated from multiple angles when designing a gamified solution for employee engagement. (Cook, 2012). Extreme care must be taken to ensure that the application of gamification as a solution for employee engagement is actually fun for the employees and not aimed at exploiting the employee. It is crucial that gamified solutions are, first of all, fun to engage with. Causing dissatisfaction among the employee due to gamification of a certain process would defeat the purpose of calling it a game or gamified solution. The primary objective of a gamified approach to employee engagement should be to combine the fun part of a video game and the actual work that needs to be done in an organization. How and which work they combine with 'making it fun part' is upon the gamified solution designer and the HR professionals. Employees engaging with it should not feel pressured or dissatisfied because of it. The next section will look deep into the potential of gamification.

Potential of Gamification in employee engagement: Advantage

Realizing the underlying potential of gamification would need us to structure it in a standard format. It is well established that gamification could be adapted in various areas of business with varying degrees. With that in mind, gamification's potential could be viewed in two ways, i.e., from the employer's perspective and the employee's perspective. Gamification from the employer's perspective is to engage and motivate employees. Whether it may be to achieve a

certain business goal that is previously set or increase employee retention rate, gamification can potentially. From the employee's perspective, gamification provides a fun and joyful way to do work and to achieve certain personal goals. It also can help employees adapt to challenging situations by motivating them to learn or gain new skills necessary for the task. It can also help the employee to socialize up to a certain extend. Apart from these two perspectives, another one that needs mentioning is society's perspective. Gamification provides a shared experience and helps build a community. This community could be customers or a potential pool of talents, or a combination of both.

Modern technology has already dominated our lives and has a huge influence on us. People often choose to communicate over social media then do it in person. Many are interested in playing computer games and sharing their achievement of these games with friends online. Gamification would serve as a bride to engage these young generations of employees. Critics of gamification are usually focused on poorly implemented gamification principles that are oriented and aimed at enhancing the KPIs of a business in the short term. Gamification should always concentrate on value addition to its users. Gamification can drive a business forward by improving employees' working environment and their experience if implemented correctly.

Indian Perspective

The current state of gamification in India is at its early stage. This could be attributed to the low level of awareness among the HR professional across India's business. Another reason could be that gamification is often misunderstood and mixed with other employee engagement tools or practices. Nevertheless, some companies have started adopting gamification and incorporating it in many of their process, including Human resources. Following are some examples of how some of the organizations in India have applied gamification in their workflow.

Infosys seems to be leading the way by introducing multiple gamified programs. The main objective of their programs was to engage and educate employees about the organizational culture and values. Through the gamified program, Infosys made the whole process of onboarding and orientation fun and enjoyable task. MakeMyTrip has a similar program call 'TripOnApp.' It is the gamified solution of the learning & development and training process. It is designed to train the employees about company history and policies (Gupta & Gomathi 2017).

Few other companies that are not of Indian origin but have significant market share and impact in the Indian IT industry are also implementing gamification to enhance their human resource. All of these companies have hybrid work environments. Cognizant adopted a gamified solution to increase their employee participation in the certification of corporate social media policy. They reduced the time taken to complete the certification to 24 hours from one week using this approach. Cisco, an industry leader in IT and networking, has also embraced gamification to revolutionize their training program. They were able to motivate its employee to participate in the maximum number for training new courses and skills. Delloite has a similar approach for its leadership-training programs. Using gamification, they were able to increase the participation of the training program. SAP, an enterprise software manufacturer, also adopted gamification to train their sales representative and prepare them for meeting with potential and existing customers. The most know one is from google. 'Google Code Jam' is a quiz and challenge game develop and design by google for recruiting skillful and enthusiastic employees and identifying potential employees for hiring (Gupta & Gomathi 2017). Increasing adoption of a gamified solution for HR processes in the Indian IT industry is a positive sign for a bigger future for gamification in the Indian market. It is also an indication that gamification could enhance and supplement employee engagement processes.

Limitation and Future Scope

The significant number of literature that dealt with gamification in businesses where focused on large organizations. Having barriers to the adoption of gamification could be a reason for this. Small and Medium Enterprises (SME) especially lack the managerial knowledge and skills necessary for implementing gamification appropriately. Not to mention the immense technical know-how required to administer gamification correctly.

Further research is definitely required in this area to remove these barriers.

Conclusion

The review of the existing literature suggests that gamification if applied correctly and properly in HR management in general and employee engagement in particular, has the potential to increase employee engagement. Many studies suggest that a gamification is a powerful tool that can help influence a person's behavior but caution against exploitation of employees. It is

necessary to consider both the criticism and potential advantage of gamification to design a successful gamified employee engagement program.

It is important to note that each company or business has its own unique way of implementing gamification. Most of the existing evidence points toward the fact that gamification has the potential to increase employee engagement under the condition that it has been properly designed and administered. It must be made sure that the application of gamification is not exploiting employees intentionally.

One of the first things to consider before designing a gamified solution is its objectives and its purpose. It should be clearly defined and achievable. Another important factor to consider is whom it is designed for. It is also necessary to remember that gamification is there not to replace traditional employee engagement or motivational ways such as better working conditions or better pay or higher job responsibility but to supplement them.

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For more information about this paper, please contact:

Nongzaimayum Tanweer Alee Shah

Tanweer.alee@gmail.com