Issue 10

Consumer Currents

Issues driving consumer organizations

KPMG

cutting through complexity ™

Turning off the taps

How water scarcity could threaten your future production plans

Lessons from other industries

Dragons of industry: gamers may have a head start at work

How to get ahead of the game

Companies are turning to computer simulations to teach skills and test radical scenarios. Are they just playing around?

The new CEO scrolls up and down the list of options, mulling over the consequences on the screen. With a sudden decisiveness and a click of the mouse he instructs his deputy to shutter the company's Chinese retail operation, making the 2,000-strong workforce redundant and selling its assets to its nearest rival. The board will be furious he has taken such a radical step without consulting them, but the business leader won't be carpeted: he's playing a game where taking outrageous risks is all in a day's work.

So-called "serious games" are big business, and consumer companies are lining up to send staff on courses where they can simulate work environments, take decisions or model strategies. "It basically means they can make mistakes without hurting the business," says Rommin Adl, Executive Vice President of BTS, which runs computerized simulations for companies including

Procter & Gamble, Coca-Cola and Sony. Games can involve taking over as CEO to see how your decisions might affect revenue and staff morale, sharpening sales techniques in a virtual environment, seeing products through a customer's eyes or getting to grips with the intricacies of financial modelling. Prices start in the hundreds of dollars, with bespoke corporate solutions running to six figures. Adl says they can help with team-building, alignment with corporate strategy and developing future leaders.

The solutions on offer are growing in popularity and sophistication. Thousands of European supply chain managers, including representatives of Heinz and

"Serious games give employees the chance to make mistakes without causing damage"

SABMiller, take part in an annual contest called Fresh Connection, which lets them make key decisions in a competitive environment. BTS is working on a simulation for two global packaged goods companies and their retail partners, which will let them virtually tweak their supply chains without affecting operations. King's College London's Department of War Studies teaches executives the basics of military strategy to sharpen performance.

Many simulations feature spectacular graphics, including avatar-like characters striding through offices, but Adl says presentation is only part of the battle: "It needs to look good and work well, but the link to what the company is trying to accomplish outweighs those needs."

Serious gaming might sound frivolous, but there's plenty of evidence to suggest the traits of leading computer games – progressing through levels of achievement, being rewarded for success and immersion in a realistic environment – enhance learning. MIT has a serious games department studying the phenomenon. Business thinker Daniel Pink, author of *A Whole New Mind*, says the ability to bring "play skills" into the workplace will be a key measure of future business achievement. Those youthful hours spent with a Dungeons & Dragons set might not have been wasted after all… ▮