

### Introduction

As businesses endeavour to boost productivity, bolster morale and retain top talent, gamification has proven to be an effective ongoing strategy for managers willing to get creative and implement such a programme in their workplace. Though the buzzword has been trending since at least 2015, surprisingly few businesses have invested time and effort into 'gamifying' the office and unlocking the potential benefits of such a programme. Whether that be due to lack of time, funds, knowledge or even interest, our latest research suggests that businesses are missing out on valuable gains by sticking with the status quo.

Some managers may be deterred by the suggestion of introducing games into the workplace, but contrary to the name, the concept has a strong scientific basis. In the context of the workplace, gamification is "the practice of synthesizing the best ideas from gaming, loyalty programs and behavioural economics, with the aim of driving user engagement over indifference." In essence, gamification transforms your employees' relationships with their work, producing a more active, goals-oriented and productive workforce.

As a business dedicated to inspiring, motivating and engaging employees, we conducted research to determine just how effective gamification can be in 2019, and to help you decide whether you should implement a gamification strategy in your workplace. Read on to find out the results of that research.



"The practice of synthesizing the best ideas from gaming, loyalty programs and behavioural economics, with the aim of driving user engagement over indifference."

How Gamification Is Engaging Customers and Employees Alike, John Boitnott, September 2015, Entrepreneur.com.

# **Gamification** in the workplace today

As it stands, only about half (48%) of UK businesses are offering some form of gamified rewards or incentives to their staff. Of those, the most common is a set bonus for completing a specific goal, such as hitting a sales target. 20% of respondents say their workplace offers such a reward, while 17% report that they receive surprise, unplanned rewards for simply doing a good job.

Other reward types include rewards given by colleagues/peers (14%), rewards that are spread out over several weeks/months (12%) and random rewards given out for completing smaller tasks (10%). Just 8% of workplaces offer lottery-style rewards, in which workers who hit targets are entered into a raffle; perhaps due to the perceived 'random' factor potentially deflating enthusiasm.

Notably, with 52% of UK workers reporting that there are no gamified rewards on offer in their workplaces at all, the research suggests that there is untapped potential out there. The rewards on offer need not be extravagant – it is more the competitiveness and urgency inspired by a gamified system that reap benefits for a company.



#### What workers want

The research suggests that businesses offering a gamified incentives scheme are relatively in tune with their employees' desires, however it is worth noting that the most popular type of gamified rewards are actually those that are unexpected, i.e. given as surprises for a job well done. Over a third (35%) of respondents say that such rewards would motivate them most, suggesting that the anticipation of an imminent surprise holds more value to staff than the prospect of achieving a long-term goal, such as a sales target.

Set goals and targets are still popular, with 28% saying that such a system would motivate them most. Meanwhile, 21% say that random rewards for completing short-term tasks or actions would be the most effective incentive to drive productivity. Businesses looking for an effective rewards system might consider combining these two complementary programmes – for example by setting quarterly sales targets with corresponding financial bonuses, plus smaller-scale prizes for the best performer each week.

Alternatively, one fifth of workers report that staggered rewards would motivate them most, while 17% say that rewards gifted by their peers or colleagues would work best. Just 15% say that lottery-style rewards would be most effective.

It is also worth noting that over a quarter of employees say that there are no types of gamified rewards that would motivate them to work harder. This is not an argument against implementing a gamified system in the workplace at all, rather, it should simply be noted that managers cannot achieve 100% uplift across the board by offering gamified incentives.



### How gamification can benefit your business

Introducing gamification into the workplace does more than simply boost motivation. When asked about their perceptions of gamification, just under half of workers said that introducing such a programme would motivate them to work harder. But further to that, 38% said that working towards rewards and bonuses would make work more fun – by extension, such a programme would make employees more likely to come into work with a positive and enthusiastic mindset.

37% of respondents said that a gamified reward system would increase their happiness at work – the holy grail for HR managers looking to lift spirits and reap the benefits of a buoyant workplace. The same number said that gamification would make them feel more engaged with their company, potentially reducing the risk of staff turnover and improving staff buy-in to a business's wider goals.

Furthermore, 32% of UK workers say they would work harder to 'unlock' a reward or bonus. 68% of UK workers receive bonuses, but just 52% say their workplace is gamified. With so many businesses already offering financial incentives, the introduction of a gamified system that allows staff to 'earn points' and 'unlock' rewards is a small barrier to earning much improved productivity.

**68%**of UK workers receive bonuses



## What works best & for whom

Businesses that tailor their rewards programmes to the demographics of their workplace will find a much greater level of effectiveness than those that treat all of their employees the same. The research revealed some interesting divisions between age groups that highlight the importance of evaluating your staff before introducing a new rewards scheme.

Surprise rewards were more popular among middle-aged workers (35-54) than those younger and older than them. However, this age group also revealed that they were overall less receptive to gamified rewards schemes than millennials (16-34), with 38% of the former group saying that there are no gamified rewards that would motivate them to work harder, compared to just 13% of younger workers.

It is also worth noting that the value of gamified rewards increases with the size of the company.

When employees of micro businesses
(1-4 employees) were asked if such a scheme would increase their motivation, just 13% responded positively.

Among medium (51-500) and large (500+) businesses, this number increases to 25.4% and 27.8% respectively.



## **FOCUS:** The benefits of a points-based system

A popular form of gamification is the points-based system, in which employees earn points by achieving set goals, which can then be used to unlock various rewards or prizes.

As employees earn more points, rewards of greater value become available, offering a sense of empowerment and flexibility to the recipient.

Why introduce a points-based system into your workplace? According to our survey of UK workers:

24% say they would be motivated to work harder

say work would become more enjoyable for them

20% say their performance would increase

**18.5%** say they'd make more effort to demonstrate their hard work

**18.4%** say they would experience an increased loyalty to their company



### The importance of communication

Gamifying the workplace is about more than just implementing a programme and letting it run. True value is derived from the anticipation and ongoing communication of the scheme. If introduced into their workplace, 25% of workers say they would want clear communication about the scheme from the start. A similar number (23%) would like to receive regular updates on how many points/rewards they have earned, with 21% saying that an online portal to track progression would be favourable.

One fifth would like the opportunity to give feedback to management about how the scheme is implemented – an invaluable resource to ensure that your efforts are as effective as possible. Similarly, 19% would like the chance to propose rewards ideas and 18% suggest that their employer should launch the programme with bonus rewards to generate excitement.

On average, workers would most like to receive rewards and bonuses around once a month, suggesting a good baseline for companies to work from. Monthly rewards were overwhelmingly the most popular option at 37%; just 18% would prefer to receive them annually and 10% prefer weekly rewards.



# The most popular types of gamified rewards

In order, the most popular types of gamified rewards are:

- 1. Monetary-based bonuses or rewards 49%
- 2. Gift vouchers or gift cards 33%
- 3. An extra day off for a birthday 25%
- 4. Increase in annual leave allocation 23%
- 5. A meal paid for by the company 17%
- 6. A trip away 16.8%
- 7. A personal gift suited to my interests 15%
- 8. A hamper 14.8%
- 9. Exclusive retail/experience discounts 13%
- 10. Duvet days 12.6%

Unsurprisingly, rewards that offer the employee a tangible financial benefit come out on top. It is worth exploring the tax benefits of rewarding staff with gifts rather than cash; gift cards find a compromise here between what staff really want and what makes most financial sense for the business.



### **Conclusion**

Gamification can be introduced into your business with a small amount of creativity, effort and communication, and the benefits of doing so are potentially limitless. By helping workers visualise their progress, recognising their efforts and rewarding them accordingly, gamification adds a layer of excitement, enthusiasm and energy to the workplace.

Get in touch with us to find out how One4all Rewards can support a gamified rewards scheme in your workplace and unlock greater motivation and dedication in your team.

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