



*“ The key to functioning sales and service divisions is motivated and well-trained employees. ”*

## Competence Report No. 1

www.core-competence.com

Quarterly

### Dear Sir or Madam,

People who bury their heads in the sand when the economy is in trouble or make across-the-board cuts in their budgets have in fact already lost the battle. It is of course necessary to keep an eye on costs, though curbing training expenditures will only put the brakes on your chances of success. Who are the people in the sales division who keep managing to increase sales with the help of innovative ideas? Who are the people who ensure that customers remain loyal because the service division operates on a consistently high level? For this reason companies should now more than ever make a point of ensuring that the sales and service divisions function flawlessly. The key is motivated and well-trained employees.

However, it is not easy to get hold of such people. In the light of continually changing markets it is up to companies to keep on training and improving the knowledge and skills of their employees. This must be done swiftly and efficiently. Here, traditional training methods such as courses where attendance is required, virtual classrooms, or even classic eLearning models quickly reach the limits of their usefulness. All too often it is simply a question of transferring knowledge. But in fact it is far more important to enhance the competence of one's employees and to

ensure that they are capable of taking meaningful action.

The learning specialists tell us that if we want to do this, we need the right tools. Game-based approaches in particular hold out the promise of an innovative learning experience capable of motivating the participants. They have the opportunity to translate what they have just learned in the course of the game into specific actions and to improve their skills in a far more efficient and lasting way. Core-Competence GmbH recognized this trend at an early stage and offers an innovative tool for all companies which would like to achieve more by having well-trained employees: Adventure-based Learning™.

In our first newsletter we would like to invite you to get to know the background to all of this. The following articles explain how, in the opinion of specialists, learning and additional training will be transformed in the years to come, how market research thinks the eLearning industry will change, and what demands future generations of managers will make with regard to their working environment.

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Improving staffs' ability to do things is one of the most important components of the company-wide educational process.

**It's an exciting subject!**

**Sincerely yours**

**Karl Berger**

Managing Partner

Core-Competence GmbH

We are really looking forward to hearing your 'sparkling' ideas. Click the link at the end of the report and tell us what you think. Some of you will be the lucky winners of a 'stimulating' bottle of champagne (valid up to September 30, 2009).

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## Companies invest in innovative learning methods

**Experts believe that the global eLearning market, despite the financial meltdown, has excellent growth prospects. Now more than ever companies are investing in human resources development in order to ensure that they are ready to go when things begin to pick up.**

The providers of innovative learning tools with the help of companies that enhance the knowledge and the skills of their employees can look forward to booming business in the years ahead. Market researchers, Global Industry Analysts (GIA) estimate that the volume the global eLearning market for 2010 will reach \$ 52.6 billion. If the analysts are to be believed, Europe still has a great deal of potential. Their estimates suggest that the European share of the global eLearning business is only about 15 percent. On the other hand, the U.S. market accounts for about 60 percent of global revenue. In view of the fact that many European companies obviously need to catch up, it is possible to assume annual growth rates of between 15 and 30 percent.

The experts at Bitkom, the German IT industry, telecommunications and new media association, speak of very promising markets with great potential. "eLearning has become an integral part of training and human resources development," says Bitkom president August-Wilhelm Scheer. In economically difficult times in particular, companies can use eLearning to take the pressure off their human resources budgets without sacrificing the quality of their training programs in the process.

The IT industry association estimates that the German eLearning market amounts to about 200 million annually. In 2008 alone, the deals in this market segment actually increased by 10 to 15 percent. According to a survey conducted among the top 500 companies, it is all large companies which have decided to use eLearning tools. In fact, 55 percent of the companies interviewed already use them. On the other hand, medium-sized companies still lag behind. At the moment only a quarter of the medium-sized companies make use of eLearning.

The results of the Bitkom survey show that the experiences of the companies have been consistently positive. Two-thirds of the interviewees named time and reduced costs as the primary motive for the introduction of eLearning. 86 percent emphasized the spatial and temporal flexibility of this learning approach. "With eLearning the employees assume greater personal responsibility for their learning achievement," says Bitkom president Scheer. "They can freely decide when and at what pace they want to learn." In view of these advantages almost two-thirds of the users interviewed said that they intended to increase the amount of eLearning they were offering to their employees.

We are no longer talking about niche areas in companies. Whereas, eLearning has primarily been used to transfer standard knowledge to a large number of participants, Bitkom believes that it can now be used for all subjects and all kinds of content, no matter how complex they may be. Apart from this the tool is suited to all hierarchical levels in a company, Scheer emphasized. "From trainee to top manager, everyone learns with a computer and the internet."

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Innovative learning methods are on the rise. Human resources budgets can be reduced significantly without incurring a loss in quality.

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*“ It is not true that playing games is an option for successful learning. Playing games is a necessity. ”*

*James Paul Gee, Author and Professor of Education at the University of Wisconsin-Madison*

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## Learning as a game – gaming as you learn

**Experts are convinced that innovative learning methods such as serious games or game-based learning (GBL) will become the rule. Academics and research specialists have come to the conclusion that participants are more motivated and can thus improve their knowledge and skills faster and more efficiently than with traditional training tools.**

In the past, games in the eLearning universe were often considered to be rather exotic, but in the meantime, the up-market learning Adventures are becoming more and more of a tool which can be taken seriously. Proof of this, for example, is the fact that this year the program of the educational exposition Learntec devoted special emphasis to the topic of “serious games.”

For the academic champions of innovative learning approaches this was long overdue. The old idea that learning has to “hurt” has for a long time been a thing of the past, and for this reason, Linda Breitlauch, Professor for Game Design at the University of Applied Sciences in Düsseldorf, totally rejects antiquated ideas on learning. With the help of games, content could in fact be remembered for longer than anything learned by heart from books. The advantage of game-based methods are that participants do not only read the content; they have to apply it. Breitlauch has come to the conclusion that this approach clearly increases learning achievement. In particular it was possible to get young people interested in learning dry and seemingly boring content.

“The growing interest in serious games cannot be dismissed as a kind of hype that briefly flares up and then disappears again”, says Ute Ritterfeld, professor at the University of Amsterdam's Institute of Psychology.

The move to learning games has become clearly apparent in recent years. This academic specialist believes that while eLearning is good, it is not really superior to traditional learning approaches. It was as a rule difficult, even in the case of classic eLearning tools, to motivate the participants and retain their loyalty. The situation is quite different when it comes to gaming. Ritterfeld cites studies which show that gamers are so motivated that they spend more than seven hours a week on this activity. It was thus a logical step to combine both worlds in the shape of “serious games” or “game-based learning” (GBL). Furthermore, research has shown that digital gamers stick to their guns. This target group simply finds it easier to assimilate and use game-based learning content.

In the meantime many companies have come to the same conclusions. Executives with responsibility for human resources are increasingly implementing the insights of learning research specialists. A survey by Forrester Research among almost 5,200 US and Canadian internet users has shown that as many as 10 percent have already experienced serious games—and the trend points upward. The survey also shows that 70 percent of this group described their encounter with the method as totally positive. And in the process they certainly had a lot of fun. Even those who have not as yet encountered serious games have an open mind about the tool. According to the analysts the vast majority displays an interest in this innovative way of learning and is totally convinced that it might be useful and advantageous.

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In learning games you can use your knowledge and garner a wealth of experience.

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Academics view the increased implementation of this process as only logical and long overdue.

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*“ Anyone who tries to make a distinction between education and entertainment doesn't know the first thing about either. ”*

*Marshall McLuhan, communications specialist and literary scholar*

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# Academics announce the advent of a new age of learning

**Futurologists are in agreement that the working world in the years that lie ahead will turn out to be completely different. “Learning” will become increasingly important in order to get to grips with these changes. Since the classical approaches to the solution of educational problems are gradually reaching their limits, innovative ideas are badly needed, and they are needed right now.**

“The achieving society is alive and kicking,” believes Horst Opaschowski, academic director of the BAT Foundation of Futurology in Hamburg. With young people in particular, achievement plays an important part in the way in which they plan their lives. On the other hand, the proportion of those who make the enjoyment of life the centerpiece of their existence is declining. On top of this there is the fact that in future people will have to work longer, says Opaschowski. Instead of being consigned to the “poor house”, the generation of people over 50 will in future take off and start on a new chapter in their careers.

The experts believe that both features—a growing achievement orientation and a growing number of older people in the labor market—will lead to a change of paradigms in the area of education. The classical school and university career can no longer sufficiently provide the qualifications that will be needed in the future. In essence, the efficacy of education in the years ahead will only become apparent if, in addition to knowledge, it can also teach people how to take action. In order to achieve this, educational methods in the years that lie ahead will change drastically. Academics unanimously agree that innovative methods such as “game-based learning” will revolutionize learning and education. Their creed is simple: “Games are so good at transferring knowledge because human beings are naturally predestined to learn in a game-based manner.”

Games with their possibilities of trying things out and simulating reality will develop into a knowledge paradigm of the 21st century, predicts James Paul Gee, Professor of Education at the University of Wisconsin-Madison. The transmitter-receiver model characteristic of frontal teaching in the 20th century has now seen its day. Societies throughout the world would be well advised to take gaming seriously both as a productive element and a learning tool. Gee makes a plea for a change in thinking: “It is not true that playing games is an option for successful learning. Playing games is a necessity.” He is of the opinion that in future learning will no longer mean sucking up content like a sponge. It will mean using knowledge, considering action strategies, and thinking in terms of problem-solving.

A predilection for gaming will develop more and more into a core competence in the working world of the future, says Byron Reeves, communications research specialist at Stanford University, when he thinks about his colleagues. Ongoing changes and growing pressure to adapt repeatedly to new business parameters will determine the working environment of the future. Trying to come to terms with such complex systems is new for most people and represents a challenge. The reason for this is that such developments are virtually impossible to predict on account of their many intrinsic dynamic variables. Games are a well-tried way of preparing oneself for these challenges, says Siegfried Lehrl, director of the Psychiatric Clinic at the University of Erlangen-Nürnberg and chairman of the Society for Mental Training. Creativity, adaptability, feats of memory and the swift understanding of complex content can all be trained with the help of computer games.

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Changes in the working environment call for more learning and education.

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Trying things out and simulating reality will develop into a knowledge paradigm of the 21st century.

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*“ Game designers have better access to the nature of learning than people who design curriculums. ”*

*Seymour Papert, mathematician and psychologist*

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## Wielding a joystick on the boss's chair

**The millennials or Generation Y are setting out as the managers of the future to take the fate of our companies and the economy into their own hands. But a generation which has grown up with PCs, the internet and games has quite different ideas about its preferred working environment.**

“The present generation of young people, the “millennials”, can no longer imagine life without mobile phones and the internet,” says Tönnies von Donop, the managing director of the area of System Integration & Technology at Accenture, as he cites a recent survey. At the end of last year the analysts interviewed 570 people between the ages of 14 and 32. The results show that the millennials have high standards when it comes to technology and the equipment of their future workplace. About two-thirds of the interviewees described these criteria as decisive for the choice of their next employer.

But the “digital natives” are different to previous generations not only because of their greater technological knowledge. In addition, they act in a far more individualistic and freedom-orientated manner and are more interested in games. Research specialists are certain that in the light of these demands the coming generation will significantly change the way in which it learns, works and communicates. As far as the digital natives are concerned, work and fun go together. “Serious gaming” is not a contradiction in terms for this generation. Games formed an important part of their socialization, and are taken for granted as a technology with which to mine and acquire knowledge and skills. Companies which fail to take this trend into account will find it extremely difficult to obtain good employees able to

deal with the challenges of the future, warns Claudia Johnson of Texas A&M University. “Those who do not offer this generation suitable learning experiences will lose them.”

The crucial component in all this is the internet. The trend has been noticed by the organizers of CeBIT, who this year placed the emphasis on the subject and aptly coined the term “Webciety.” In the coming web society younger people in particular, who have grown up with the World Wide Web, will not think twice about tinkering with tools such as social networks, blogs and Wikis. Polls confirm this trend. The Web.de portal has discovered that 58 percent of German online users are active on platforms such as StudiVZ, Stayfriends, Facebook or Xing. And young people like social networks. In the under-20 age group 95 percent of those who go online participate in such networks.

This development has consequences for the IT world, for companies and for society as a whole. The consultants at Gartner Research now speak of an increasing “consumerization of IT.” Tools and applications which users are used to using in their private lives will increasingly be in demand as people go about their daily work. In the light of these developments IDC, the market research institute, counsels companies to develop toward “Enterprise 2.0.” In future Web 2.0 and other IT tools from the world of end consumers will increasingly find their way into companies, whether they like it or not.

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Games are increasingly being used as a technology with which to acquire knowledge and skills.

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The 'millennials' or Generation Y need to be given suitable learning experiences.

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“ *Self- paced learning which challenges the whole person, that is, both the emotions and the intellect, creates the most pervasive and long-lasting of learning experiences.* ”

*Carl Rogers, psychologist and psychotherapist*

# Adventure-based Learning™ (ABL)

## FAQ's

With Adventure-based Learning™ Core-Competence GmbH has developed an innovative method with which the knowledge and skills of employees and partners can be improved more effectively and efficiently than with traditional learning methods. Read the FAQ's to find out what Adventure-based Learning™ is all about.

1

### What is Adventure-based Learning™?

ABL is an innovative training method. With the help of learning adventures, companies can improve the knowledge and skills of their employees quickly, effectively and efficiently. To this end, the learning content can be ingrained and used immediately in simulated game scenarios.

2

### Who produces Adventure-based Learning™?

Since 2007 Core-Competence GmbH has been developing learning adventures tailored to the needs of its customers. They offer clients a full service ranging from the development of the adventures to the implementation and the operation of the solution and the evaluation of the results.

3

### How does Adventure-based Learning™ work?

ABL can be used online as a software-as-a-service solution, and participants only need an internet link and a browser. The advantage is that employees can be effectively trained without being tied to a time or place. The interactive role games can be interrupted at any point and later resumed.

4

### At what target group is Adventure-based Learning™ aimed?

ABL can actually be used by all sizes of companies. There are no limitations with regard to where the learning Adventures can be applied. In addition to service and sales divisions, the competencies that apply to all areas of a company can be developed with this method.

5

### What are the advantages of Adventure-based Learning™?

Because of its game-based approach, ABL motivates participants and makes learning fun. The interactive role games combine knowledge and its application on one and the same platform. Because participants immediately apply what they have just learned, ABL has a more long-lasting effect than traditional training methods.

## Find out more about Adventure-based Learning™:

In the future, developing the abilities and skills of one's employees will be a decisive competitive factor for each and every company. Markets are changing all the time and for that reason there will be greater demands on businesses. For employees it is important to keep learning new things and to use this knowhow quickly and successfully on a daily basis. Core-Competence GmbH has the right tool for this: Adventure-based Learning™.

An experienced **management team** consisting of sales and service specialists continues to develop and improve Adventure-based Learning™.

[more »](#)

On account of its **innovative approach** Adventure-based Learning™ is clearly different from traditional learning methods.

[more »](#)

Adventure-based Learning™ offers customers an all-round solution, enabling them to **improve the acument and skills** of their staff.

[more »](#)

Today companies such as **Microsoft** and **Deutsche Telekom** are already training thousands of employees and partners with the help of Adventure-based Learning™.

[more »](#)



**Competence Report - free subscription**

Please click here

Let us know what you think and with a bit of luck you might soon be enjoying a bottle of Champagne! Did you find the report exciting? Are you also fascinated by all the things that Adventure-based Learning™ can do? And last but not least, how do you like our new website? Send feedback to [operations@core-competence.com](mailto:operations@core-competence.com) by September 30, 2009.