

# Impact Case Study

## Ethics: A Serious Game



### Introduction



Accounting is often seen as the dry practice of balancing books, but a range of factors, from human behaviours and social expectations to ethical concerns and sudden crises, exposes its challenges.

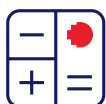
These challenges can arise in any endeavour: from PwC's 2023 conflict-of-interest issues to resource allocation perspectives that can disadvantage individuals. Business needs, ethical concerns and social outcomes all require consideration.

Accounting ethics guide practitioners in business decision-making with important moral foundations that consider broader social ramifications. In practice, however, ethical intentions do not necessarily match ethical behaviour, especially when performance pressure exists.

Researchers recognise the challenges of measuring and addressing the complex financial, social and moral dimensions of business, to ensure effective long-term outcomes for all involved: and have adopted 'serious gaming' as a research and training tool.

Serious games – games designed to transfer knowledge and stimulate behavioural change – foster exploration and skills development. They are particularly important for people facing ethical challenges.

### Background



Dr Gillian Vesty leads serious gaming research to help accountants better understand the social implications of ethics and resource allocation, by exploring how performance management has social consequences.

"Serious games can help practitioners to understand the debates that underpin activity-based funding, innovation, and allocation of resources," says Dr Vesty, a former nurse who saw a need for a better understanding of accounting with a social context.

"Games are a safe way to engage in challenging and nuanced issues like healthcare expenditure, fraud and climate change."

"In the game accountants can reveal and manage issues within their code of ethics, and act in the best interests of society rather than just for ease of management. Mistakes can be made without negative real world consequences. It's an excellent way to help reskill a workforce."

### The Research



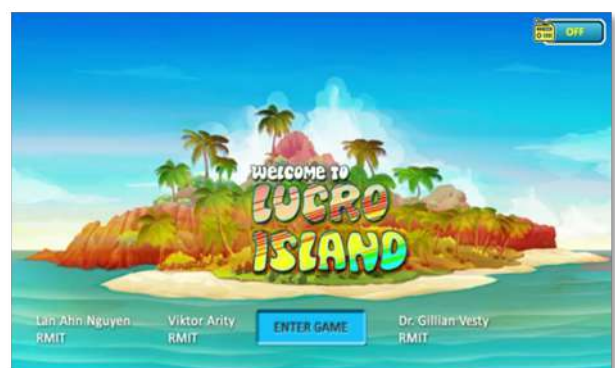
Dr Vesty has developed several budgeting games for learning about the short- and long-term consequences of financial decisions within a social context:

#### Lucro Island Budgeting Game

This strategic budgeting simulation illustrates how the Income Statement (Revenue - Expenses = Profit) operates in a complex hotel management environment.

Over the three years of game-play, winners in the first year may find their short-term choices to increase profits are unsustainable, leading to losses in the third year. Budgeting choices include staff pay rates, expenditure on maintenance and other expenses, and the impact of reducing hotel rates to attract customers. The effect of these choices on long-term issues such as brand-building and customer satisfaction can be seen. Issues such as social and environmental impacts are wrapped around the case.

Lucro Island (<https://kilgors.com/>) has been used globally by more than 25,000 students and 250 academics.



## Bogart – Ethics Game

Bogart focusses on ethical decision-making and unveiling problems when policy is breached. Players are faced with leaders who rely on dysfunctional performance metrics, and must decide whether to ‘follow orders’ or to follow policy.

The immersive game environment provides a vehicle to engage in workplace well-being and is useful to support new interns or students through work-integrated learning (WIL) programs. Bogart is used by researchers to explore ethics and wellbeing.

## The Influenza Health game

This real hospital case study is used to create a value-based healthcare game. The hospital experienced declining profits, despite being mostly at maximum capacity. The discrepancy was traced to an influenza outbreak which used more resources and extended the length of patient stays, resulting in delayed private patient admissions.

The game involves 110,000 annual patient activities. Data visualisation and an analytics platform help students to locate and analyse problems within the budget, including cost inflations, bed-blocks and resource constraints during an epidemic/pandemic.

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## Funding Support and/or Institutional Support



The Institute of Management Accountants (IMA) provided funding to develop a serious game pilot, while CPA Australia Global Research Funds supported the development of a case study report. RMIT’s College of Business and Law (CoBL) funded Bogart and its hosting platform is funding the Influenza Health game.

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## Project Outcomes



The research has resulted in numerous papers, video presentations, events and appearances at Serious Games festivals:

### Papers

- “Using Serious Games to Support Business Model Development and Investment in Digital Health”
- “Accounting, valuing and investing in health care: dealing with outdated accounting models” Meditari Accountancy Research, <https://www.emerald.com/insight/content/doi/10.1108/MEDAR-06-2021-1334/full/html>
- “Games for Change”, Asia-Pacific Journal Vol. 2, <https://press.etc.cmu.edu/journals/games-change-asia-pacific-journal-0>

### Awards

- Lucro Island won the American Accounting Association’s Outstanding Case Award in 2018.
- American Accounting Association, Management Accounting Section, (AAA MAS), Recognition of Best-Case Award, 2019
- 2022 RMIT ACGR Award for Excellence in Promoting Industry Engagement in Graduate Research, awarded to Dr Vesty.

### YouTube Videos

- Nancy An: Using serious games to foster wellbeing in Higher Education G4CAPAC (PhD student using the game for research), <https://www.youtube.com/watch?v=hReDE6Askjw>
- Impact through Insight, <https://www.youtube.com/watch?v=RrKcjGb4o3E>

## Serious Games Events

- Digital Health Festival 2023, <https://digitalhealthfest.com.au/>
- Games for Change Festival 2023, <https://festival.gamesforchange.org/>

## Other Events

- Preparing for value-based healthcare: Skills in business and digital health (20 June 2023)
- Presentation and Showcase on Bogart Serious Games of Ethics Microcredential at the 20th World Congress of Accountants (WCOA) at ICC Sydney, 2019
- Presentation of Serious Games in Business and Health Education. 2019, Oulu University, Finland.



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## Overview of the Impact



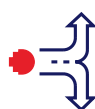
Both Lucro Island and Bogart are included in RMIT’s business curriculum. Bogart is being used by psychology students. The Influenza game will be shared with the digital health curriculum on its completion.

The accounting profession has expressed interest in the games and their approach to accounting.

Dr Vesty is outgoing Treasurer of Simulation Australasia (<https://simaust.com/>) and is a board member for Games for Change Asia Pacific (<https://g4capac.org/>).

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## Next Steps



Dr Vesty and her colleagues aim to influence policy through educational impact. These games have been presented to health professionals generating international collaboration.

Prospective PhD students are interested in serious games. New research and potential games addressing a range of challenging issues are under development, including the Influenza Health game. So far, it has been used to examine ethical debates and resource allocation in hospitals by first year accounting students.

