

Strategic management

**- Strategic management demonstrated through the use of a digital card playing game,
Hearthstone**

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Thesis

Experience and wellness management

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Experience and wellness management

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<p>Tämän opinnäytetyön tavoitteena oli luoda ohjekirja digitaalisen korttipelin, Hearthstone, kanssa käytettäväksi. Ohjekirjan tarkoitus on helpottaa strategisen johtamisen aihepiirin opiskelua.</p> <p>Strategista johtamista sekä oppimista digitaalisten pelien avulla piti tutkia ohjekirjan luomisen mahdollistamiseksi.</p> <p>Strateginen johto on laaja aihepiiri ja siksi päätettiin rajata aihepiiri stragisen johtamisen prosessiin. Strategisen johdon prosessiin sisällytettiin resursseihin perustuva heikkous- ja vahvuusanalyysi. Täten saatiin luotua teoreettinen viitekehys opinnätetyötä varten.</p>	
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<p>The aim of this thesis was to create a manual to be used with a digital card playing game, Hearthstone, to help students to better study the field of strategic management.</p> <p>In order to be able to create the manual, the field of strategic management and learning through digital gaming had to be studied.</p> <p>Strategic management being a broad field, it was decided that the thesis would concentrate on the strategic management process which would apply a resource- based view of strengths and weaknesses, creating the framework for the thesis.</p>	
<p>Key words Strategic management, learning, digital card playing game, Hearthstone</p>	

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1 Introduction

War is an unfortunately common concept in human history. Wars have been waged for numerous reasons. For example religion, social status and greed have all been and continue to be sufficient reasons for waging war.

The success of a military campaign has always rested on a solid strategy, which in turn has been conceived through the evaluation on one's own and the adversary's strengths and weaknesses. Sun Tzu's renowned *the art of war* writings still apply today when formulating and implementing military maneuvers, despite being thousands of years old. The curious thing about military strategies is that they can also be applied in the world of business and enterprises. (David 2010, 53-54.)

The similarity between military and business strategic planning is that they both aim to gain a "competitive advantage" over their rivals with one big difference. Where military strategies are applied in the context of conflict, business strategies are applied in the context of competition. Still, competitive advantage is sought after since it can provide the means to end both conflict and competition. Businesses worldwide have adopted military tactics and translated them into the context of corporations. Strengths that were considered for example soldiers and ammunition, are in turn translated into employees and wealth. Employees and wealth can also be considered as resources. (David 2010, 53-54.)

If military strategies can be translated into a business context, then why not business strategies could be translated into a game context? My own experience in gaming and especially in computer gaming is extensive. This is why I wish to apply my knowledge of gaming into translating the strategic management process into a gaming context. I chose to use a card game called Hearthstone created by Blizzard Entertainment. Hearthstone is a simple to play yet complex card game, from which I intend to draw connections to strategic management. I aim to develop a manual to be used while playing Hearthstone. This manual helps the player to understand the concepts of strategic management, resource-based view and competitive advantage through playing the game.

2 Theoretical framework

In the theoretical framework of the thesis concepts of strategic management and learning through gaming will be discussed.

2.1 Strategic management process

The strategic management process involves the creation of a strategy that has the highest probability of succeeding. As see in figure 1, this process is made up of several phases: mission, objective, external/internal analysis, strategic choice, strategy implementation, competitive advantage. The process is sequential, meaning that each phase can only come after the previous one. (Barney 2011, 5.)

The reason why companies use strategic management processes is ultimately to gain a competitive advantage. Competitive advantage can be understood as the economic value created by a company in relation to its rivals. The more economic value a company has, the bigger the competitive advantage it has compared to its rivals. (Barney 2011, 15.)

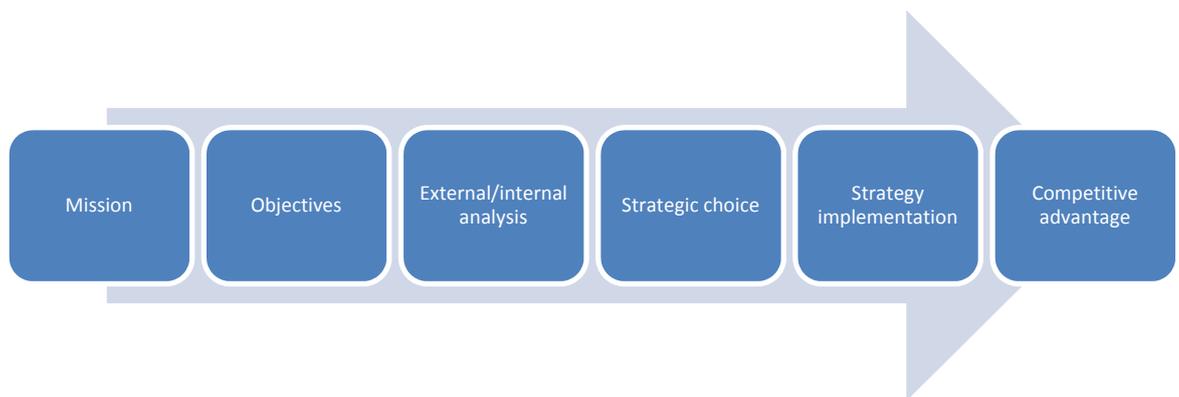


Figure 1. The strategic management process (Barney 2011, 5)

2.1.1 Mission

A mission is a long-term acknowledgement of what a company wishes to be. It is also where the strategic management process begins. By making it clear what the company wishes to be, a mission also defines what the company wishes to avoid being. To make missions more apparent, mission statements are usually created in a written form. They can range from an extensive detailed list of things the company wishes to represent to simple catchy slogans. No matter the

scope of the statement, missions still have been known to have positive, negative or even no effect at all on company performance. (Barney 2011, 5.)

According to Jay Barney, if a mission statement says something unique about a company, but the influence does not affect the behavior throughout the company, it is not likely that the mission statement has an impact on the company performance. (Barney 2011, 8.)

On the other hand, a study by Jim Collins and Jerry Porras discovered companies whose mission statement is present in everything they do. Companies that channel their mission statements are called visionary firms, such as Ford, Boeing and American express. Visionary firms are for some reason thought to be profitable in the long run. Visionary firms seem to earn higher returns than “average” companies. The reason for this is not because they are transparent in their statements about maximizing profits, but because maximizing profits is not their main objective of operations. (Barney 2011, 8.)

As mentioned earlier, mission statements can also have a negative effect on the company performance. A company that has its mission statement based on the values and opinions of its founders or managers, any inconsistencies between the economic environment and the company are bound to create problems in the company’s performance. (Barney 2011, 9.)

The bottom line is, a mission is only the beginning of the strategic management process, and is by no means a guarantee to corporate success in itself.

2.1.2 Objective

While mission is a general, slightly vague defining factor for a company, objectives are used to measure the extent to which a company is following its mission. Objectives come in two different types; High-quality objectives and low-quality objectives. (Barney 2011, 9.)

High-quality objectives are easily linked to the mission and are relatively easy to measure and monitor. Low-quality objectives are usually qualitative and not easily measured. They are also loosely linked to the actual mission of a company. A strong and clear set of high-quality objectives is an indicator of a company that is following its mission, providing a healthy base for a visionary company. A company which chooses to use low-quality objectives is a clear sign of the opposite. (Barney 2011, 9.)

2.1.3 External and internal analysis

The next simultaneously happening phases of the strategic management process are called the external and internal analysis. External analysis concentrates on analyzing the strengths and weaknesses of competitors. It also aims to foresee the actions of rivaling companies. Internal analysis on the other hand focuses on finding the strengths and weaknesses within the company that is conducting the strategic management process. Internal analysis helps to identify resources that might provide the company with advantages against rivals, and also resources that might be less likely to do so. Internal analysis is also used to gain insight into managing change, and if a company is needed to evolve to better fight its surroundings. (Barney 2011, 9-10.)

Numerous tools are used to study the external and internal strengths and weaknesses of a company and one of the most well-known methods is the SWOT-analysis. SWOT stands for strengths, weaknesses, opportunities and threats. SWOT emphasizes the analysis of both the external environment of a company (opportunities, threats) and the internal environment of both one's own company and the rival's company (strengths, weaknesses). (Barney 2011, 120-121.)

Another tool for external and internal analysis is the resource-based view of the firm. (Barney 2011, 10.) A resource-based view of the firm focuses on the resources controlled by a company as well as opposing companies. Resource-based view recognizes four different resource categories: financial capital, physical capital, human capital and organizational capital. By mapping and measuring these resources, an understanding of a competitive advantage is sought to be made. (Barney 2011, 120-121.)

2.1.4 Strategic choice

Strategic choice is based on the information provided by the previous phases, and represents the point in which a company chooses its approach on how to gain a competitive advantage. Strategic choices are split into two categories: business- and corporate- level strategies. Business-level strategies choices concentrate on gaining an upper hand in a single sector or market. Corporate-level strategies on the opposite concentrate on a broader selection of markets or industries. (Barney 2011, 10.)

The strategy which is chosen should support the company's mission, be consistent with the company objectives, promote the company's strengths and minimize threats and avoid weaknesses. After this phase the company is ready for the actual implementation of the strategy. (Barney 2011, 10-11.)

2.1.5 Strategy implementation

Strategy implementation happens when a company chooses a strategy and adopts policies and protocols that support said strategy. There are three different organizational policies and practices, which are extremely important in implementing a strategy: a company's formal organizational structure, formal and informal management control systems and its employee compensation policies. A company's strategy is more likely to succeed in its implementation phase, if all the three aspects are consistent with it. (Barney 2011, 11.)

2.1.6 Competitive advantage

The final phase of the strategic management process is called the competitive advantage phase. The point of the strategic management process is to create a competitive advantage. A company has a competitive advantage when it is able to create more economic value than the competition. Economic value is the difference between the perceived value of company products in the eyes of the consumer and the actual costs of creating said products. (Barney 2011, 15.)

Competitive advantage can thus be regarded as direct measurement of a company's strength to compete with others. Once a company has no competitive advantage available to it, it is usually unable to continue to exist with others and is usually consumed by its competitors or closed down.

2.2 Resource- based view

A company's difficult-to-obtain and costly-to-copy resources are emphasized when discussing the resource-based view. A key objective in a resource-based view is to gain a competitive advantage by exploiting and controlling these type resources. The resource-based view builds on two different fundamental principles. (Barney 2011, 120.)

The first principle is identified as the heterogeneity of resources by Edith Penrose in the book *The Theory of the Growth of the Firm*. Penrose defines the fact that different companies have different resources as the heterogeneity of resources. The second principle draws from the work of Selznick and Ricardo, according to which some resources are either in limited supply or are costly-to-copy, introducing the concept of resource immobility. Then, if a company's resources are both heterogenic in nature and immobile, they could be regarded as a company's strengths. (Barney 2011, 120.)

Resources that can be heterogenic and immobile are numerous. These resources can be for example, employees, knowledge, hardware, location and so forth. The list such of resources is rather extensive, which is why four general categories of resources have been established. These four categories are: financial capital, physical capital, human capital and organizational capital. (Barney 2011, 121.)

Financial capital logically represents all the different ways a company is able to draw money into its operations. These can be investors, banks, bonds and so forth. (Barney 2011, 121.)

Physical capital includes the physical properties of a company. These would be manufacturing equipment, location, premises and software used in the company's operations. (Barney 2011, 121.)

Human capital is everything related to the individual employees of a company. The knowledge, experience, relations and so forth are all included in the human capital category. Having prominent and skilled leaders in a company is a very visible example of human capital, but only represents one aspect of a company. Without skilled staff, a great leader would be unable to perform efficiently. (Barney 2011, 121.)

Organizational capital on the other hand represents the company as a whole. Things such as relations with the environment they operate in, reputation, administrative framework and coordinating systems are all part of a company's organizational capital. For example, a company might benefit from a superior reputation as an employer to attract skilled employees. (Barney 2011, 121.)

2.3 Resource- based strategic management process model

By applying the knowledge of both strategic management process and the resource-based view, I created a framework for my thesis, in which the strategic management process phase, internal/external analysis, is done in the way of the resource-based view by concentrating on actual measurable resources of both one's own company and those of the rival. This framework makes it easier for me to draw clear connections between the framework and the game Hearthstone. The point of using the game as a learning tool is to find clear equivalents in the game-context for things like human capital, competitive advantage and strategy implementation.

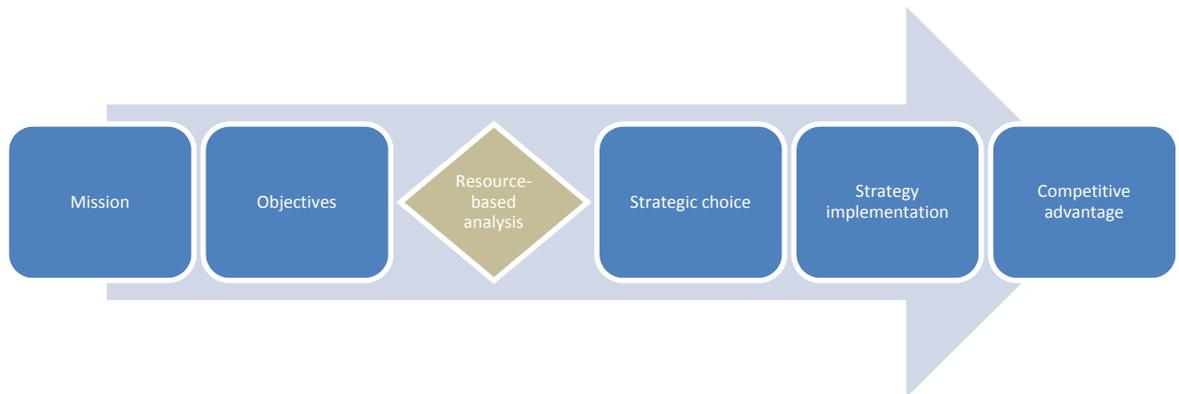


Figure 2. The Resource- based strategic management process

2.4 Digital game- based learning and its characteristics

According to Marc Prensky's work on digital game-based learning, games are usually regarded as pure entertainment, while forgetting their potential as a learning environment. The generations of today's young have grown up with rapidly evolving technologies and which has of course included different kind of video games. Prensky sees a profound connection between games and learning, and also points out how learners of today have changed and require a different kind of approach when it comes to learning, an approach which includes a heavier focus on digital game-based learning. (Prensky 2005.)

Prensky argues that there are two reasons why games should be used to learn "real world" content. The first reason being that learners have changed a lot since the advent of fast paced technologic advancement. The second reason is that these learners need new ways to be motivated. (Prensky 2005.)

Having grown surrounded by all kinds of rapidly evolving technologies, children of the video game and internet era have developed different kind of preferences when it comes to learning and information processing. These preferences hint of a completely different mind-set which is unlike anything seen in previous human generations. A student has likely spent thousands of hours in front of a computer, console or a television when graduating from high school. This alone is a sign that video games and media are able to captivate our attention for hours on end, and should be regarded as a major channel of learning. (Prensky 2005.)

Since this digital generation requires a different approach when it comes to teaching, video games can be seen as a natural and familiar source of learning for them. Simply put, what motivated learners in the past, does not motivate learners of today. (Prensky 2005.)

Prensky says that the students are so different from what they used to be, that the current educational system does not cater to their needs. Unlike previous generations, today's students do not differ from previous generations by looks only, but a greater discontinuity has occurred. This discontinuity is caused by the arrival of rapidly spreading and evolving technologies. The students of today have integrated technology into their lives, and spent increasing amounts of hours on any given tech. No generations before the last decades of the twentieth century have experienced an environment so intertwined with technology than the generations today. This digital environment has configured the brains of today's students to function differently. The brains of today's students are different from their parents, if not by physical structure, then by thinking patterns. (Prensky 2005.)

Prensky introduces a term called digital native, which represents the learners of the twentieth century. People that grew up without the dominant presence of technology are called digital immigrants. The difference between these two categories of learners is that even though digital immigrants can learn to implement technology just as well as digital natives, they still retain an "accent". This accent represents their ties to the past, and from time to time occurs as behavior with technology, which might seem to make no sense to a digital native. Examples of this kind of behavior might be printing out email for storage or not going online first when looking for information. The reason why Hearthstone could be a new and efficient way for digital natives to learn from, is because Hearthstone supports all the different characteristics of digital native's learning process. (Prensky 2005.) The characteristics are first presented with bullet points and are then discussed in greater detail in the following paragraphs.

- Twitch speed versus conventional speed
- Parallel processing versus linear processing
- Random access versus linear thinking
- Graphics first versus text first
- Connected versus stand-alone
- Active versus passive
- Payoff versus patience
- Fantasy versus reality
- Play versus work
- Technology as a friend versus technology as a foe

The first of these characteristics is called twitch speed versus conventional speed. Twitch speed represents the rate that a game player's fingers move on the controller. Games have given digital natives experience in processing information faster. Specialists have always developed faster speeds of operation, but this is the first time that this kind of operating speed increase has penetrated a major percentage of the population. Digital natives feel that the learning environment at school moves at a sluggish pace, while digital natives are devouring information at a faster pace. This kind of need for speed should be noticed and taken advantage of, by providing faster lanes for studying for example. (Prensky 2005.)

Next, parallel processing versus linear processing compares the capabilities of receiving information from multiple sources. Multitasking has always been a skill that can be developed with time, but it comes as a second nature to a digital native. Since digital natives have gotten used to receiving information from various outlets at the same time, it enhances their potential to process information. Instead of needing to concentrate on a single source of information, a digital native can switch his attention seamlessly from one source to another. This opens up the possibility for the education system to come up with ways to feed increasing amounts information to students. (Prensky 2005.)

Random access versus linear thinking discusses digital native's minds which have developed a habit of jumping around from one train of thought to another. Thought processes are no longer seen as linear processes, but are instead seen as a mural which can be concentrated in a way one wishes. This kind of thinking increases the ability to make connections and perceive structures and patterns. The downside has been thought of as the loss of the ability to follow a linear

argument, but this might be remedied with a better understanding of the big picture. (Prensky 2005.)

Graphics first versus text first represents the importance of pictures over text for a digital native. Previously imagery was seen as a way to enhance the information held in a text. Today, the tables have turned. Digital natives have gotten accustomed to receive information fast and easy through imagery, and text is seen as a side dish to an image. Digital natives have learned to absorb information through visual means, by playing games and watching television. They find it more natural to concentrate on the imagery first and then seek additional information from text, if needed. This kind of concentration on visual cues supports to parallel processing and random access where information is presented as a whole and leaves it to the hands of the learner on which parts to concentrate and in which order. (Prensky 2005.)

Connected versus stand-alone represents the significance of being online and connected for a digital native. Digital natives have gotten used to being connected to others through emails, instant messages, internet calls, forums and other means of communication. This connection is usually up and running 24/7, meaning that digital natives are used to being contacted anywhere and anytime. This kind of comfort with being available all the time, allows digital natives to embrace new means of working and studying. Work does not have to be tied to a certain time and space anymore, receiving an internet call at 3 o'clock in the morning from a completely different time zone does not intimidate digital natives. It has been argued that using internet as a dominant means of communication might cause depersonalization. On the other hand, depersonalization caused by online communications frees a person from his physical constraints and norms, and allows the concentration solely on one's own communication skills, ignoring looks and so forth. (Prensky 2005.)

Active versus passive represents a digital native's preference of being active rather than passive. Being active for digital natives means a general fearlessness towards trial and error when it comes to software and machinery. A digital native rarely even glimpses a manual, before attempting to figure out how a certain software or machine works. Programs and machines are expected to teach how to use them as you go, instead of requiring extensive studying and training before use. Digital natives rarely feel that they might break or scramble a program or machine simply by trying all the buttons and functions. They expect things to be guarded against mishandling, allowing them the freedom to try everything that they possibly could come up with. This leads

directly to the fact that digital natives wish to be able to interact with the things that they are learning about. (Prensky 2005.)

Payoff versus patience stands for a digital native's thirst for payoff. Through gaming, digital natives have learned that by playing long and well enough, there is a payoff. Things are done because there are rewards for them and games excel at giving clear rewards in the form of high scores or trophies. Digital natives are constantly asking themselves if they should bother with a task. If the payoff is not up to par with the task, a digital native finds it difficult to get invested with the task. The emphasis when rewarding a digital native is to make the reward be attainable in the short run, instead in the long run. (Prensky 2005.)

The importance of fantasy is pointed out by the fantasy versus reality characteristic. Digital natives have gotten used to the fact that fantasy is not tied to immaturity. Games have made it easier for fantasy to manifest itself, through evolving and improving graphics and technology. Fantasy with the help networks allows digital natives to create alternate selves and join and interact with communities living in a computer created fantasy universe. Digital natives should not be ushered to abandon their ties to the fantasy realms that they occasionally inhabit, but to find ways to combine fantasy with real world learning. (Prensky 2005.)

Play versus work signifies the preference of digital natives to experience learning rather as play than work. Digital native people might be seen as intellectual slackers by most, but the truth is rather different. Digital natives are commonly intelligent problem-solving bunch. The games they play usually involve all kinds of puzzles, spatial relationships, and other tasks that require thinking and solving. Digital natives prefer these kinds of games to going to the movies and spend a lot more time cracking and completing these kinds of games than enjoying "passive" media which requires little to no interaction. Real life games can be very serious, and work can be seen as very enjoyable by digital natives, depending of course on the tasks at hand. Beating your competitors, rewards and gaining experience are all involved in both work and play. (Prensky 2005.)

Technology as a friend versus technology as foe represents the general attitude of digital natives towards technology. Digital natives regard technology as an extension to their own body. Technology is revered instead of feared, and technology is ultimately the source of relief for many digital natives. We turn to technology in hopes of joy, ease, relaxation and so forth. We know technology like the back of our hands, and in the absence of technology feel quite helpless to

cope with things. A computer is a necessity instead of a luxury to a digital native, demonstrating the close to bond to technology. Today, parents turn to their children for help in the use of technology, instead of the other way around. (Raessens & Goldstein 2005, chapter 6.)

All the above mentioned traits associated with the learners of today, the digital natives, point to a completely different cognitive difference when compared to the older generations. Digital native's brains work at a faster pace and require more information, but the education system of today has almost totally ignored the fact that newer generations require a new approach to learning. Because of this, learning through video games is a familiar and a fresh way for digital natives to learn, which is why game-based learning has started to gain ground. (Raessens & Goldstein 2005, chapter 6.)

2.5 The motivating elements of games

Digital natives find it interesting to learn things, if there is a strong sense of engagement. Video games are able to conjure up said engagement, but the educational system of today rests on the fact that learning happens from external sources, from rewards and punishments. Playing games can be seen as the exact opposite of rewards and punishments, and it is likely that it is the most engaging activity humans have ever witnessed. In addition to being able to engage us for countless of hours, according to Prensky, games bring together a combination of motivating elements which are unique to games:

- Fun -> enjoyment and pleasure
- Play -> intense and passionate involvement
- Rules -> structure
- Goals -> motivation
- Interactive -> doing
- Adaptive -> flow
- Outcomes and feedback -> learning
- Win states -> ego gratification
- Conflict/competition/challenge/opposition -> adrenaline
- Problem solving -> creativity
- Interaction -> social groups
- Characters and story -> emotion

When games and learning are combined intentionally, these combinations would immensely increase the potential to learn among digital natives. Prensky says that fun involved in the learning process creates relaxation, which in turn does not create resentment towards the learning process in the learner. By applying all the elements that games bring to the table, they provide a structured way to have fun and learn. Games are both engaging and motivating, since we have struggle to achieve our goals. With every decision we receive feedback, with every defeated opponent we receive gratification and with every social interaction we feel connected to others through emotions. (Raessens & Goldstein 2005, chapter 6.)

Digital game-based learning is created when all the different elements of gaming are combined with learning processes designed to work in tandem with gaming. Games by themselves are not yet designed to do a whole teaching process, but can be used as a complementing element in a teaching program. Yet, games have started to develop a more prominent presence in teaching. One extremely important factor to keep in mind, regardless of the method of teaching used, is that the content learned should match with the learner. Students studying strategic management processes should obviously be matched with content that covers it. (Raessens & Goldstein 2005, chapter 6.)

2.6 Digital card game: Hearthstone

According to the creators of the digital card game Hearthstone, Blizzard Entertainment, they wanted to create a game that felt as close to playing with real cards as possible, while having emphasis on online competitive gaming. For this reason, the aesthetics feel quite familiar compared to playing with actual physical cards. They started designing Hearthstone by first coming up with the card game concept. They wanted to create something fast, easy to approach and yet complex when mastered, keeping in mind the increasing amount of players looking for short bursts of play, instead of several hours of dedication. The game would naturally require a business model to be feasible. By making the game free-to-play, players would find it easy to approach since no purchase is required to obtain and play the game. The game has no pay walls, which means that all the content in the game is possible to be unlocked without paying any real money. Real money enables players to unlock features faster, but gives no additional advantages. (Stanton 2013.)

The game was released in 2014 and draws its theme from the extremely popular massively multiplayer online roleplaying game developed also by Blizzard entertainment, World of Warcraft. World of Warcraft has been played by millions of players, which makes the content in Hearthstone delightfully familiar to many. World of Warcraft has a mythos that has evolved since the first Warcraft franchise games in the 90's, which provides a vast source for Blizzard to draw inspiration and themes from. (Stanton 2013.)

Since I have been playing Hearthstone from its release date, I have accumulated a deep knowledge about the game. This is why I wish to go through the rules based on my own knowledge and later on in the thesis, explain the relation with the game and my framework.

3 Creating the manual

In order to create the manual to be used while playing Hearthstone, I needed to first gather information about strategic management and learning through gaming. After I had found my sources I started to outline the theoretical framework for my thesis. I ended up concentrating on the strategic management process model on which I applied a resource- based view.

The resource- based view introduced four different resources: financial, physical, human and organizational capital. Knowing these four resources, I set out to identify them and a few others inside Hearthstone. I called this process translating the setting of the game. Next, the contents of the manual are presented for the reader, to help better understand how I combined strategic management with Hearthstone. The actual manual is included in the attachments.

3.1 Rules of Hearthstone

Hearthstone is a competitive online card playing game. The main point of the game is to pit two players against it each other, offering the possibility to play against either human or computer controlled opponents. Matches take approximately 15 minutes to complete, depending of course on the speed the players make decisions and so forth.

A match always starts with a coin flip, which determines the turn order. The player who goes first draws three cards and the player going second draws four cards, with one of the cards being “the coin”. The coin offers a slight resource advantage during the match when played.

Both players have two identical resources: health points and mana points. Health points are set at 30 units at the beginning of the match for both players. Mana points start to accumulate from zero to a maximum of ten during the first ten rounds. After ten rounds, no additional mana points are obtained. Mana points are used for the utilization of cards. Each round the mana points available to the player are refreshed. The amount of mana points spent during a turn is up to the player. Health points on the other hand are decreased or increased throughout the match through different methods. The point of the game is to decrease the opponent’s health points to zero while preserving one’s own health points. When a player’s health points reach zero, it means that the player with remaining health points wins the match. Health points cannot be accumulated over 30 units at any point.

There are nine different heroes to choose from, which come with their own set of specialized hero cards in their respective deck of cards. A hero also comes with a certain hero power, which can be activated for a cost. The game also has neutral cards which can be freely mixed with any hero cards, making up the majority of a player's deck. A deck has to have a total of 30 cards to be able to be played.

Hero and neutral cards can be divided into several categories. The following card types are available to the players: spells and minions. All of these card types come with different costs to utilize them as well as properties. Some cards are quite straightforward to play, while others have specific uses for certain situations. Minions are put to the center of the play area and stay in play for as long as they have remaining health points. Minions can attack either the hero or enemy minions and come equipped with various skills. Spells have immediate effects and are discarded after use. These effects range from healing a hero to dealing damage to the opposing side. Other kinds of effects also exist, such as delaying your enemy's turn. Weapons are used by the champion to personally deal damage to the opposition and remain in play for as long as the weapon has durability remaining.

The maximum amount of cards allowed in a player's hand is ten at any given time and any excess cards are destroyed when drawn. It is possible that a player runs out of playable cards since only 30 cards are allowed and there is no turn limit. If a player runs out of cards to draw, he begins to lose health points at an increasing rate every time he is supposed to draw a card. The matches usually end in a player running out of health points, but it is also possible to concede a match without needing to play till the end.

3.2 Translating the setting of the game

The play setting consists of 12 different aspects, which can also be translated into a corporate context. All the matches that take place in the game happen in the very same setting, every single time. Let's start by going through all the different aspects.

3.2.1 Health points/ competitive advantage

Health points represent the amount of damage that the hero can take. Both players start the game with 30 health points. It is not possible to gain more than thirty health points, but there

are ways to restore them. Once a player's health points reach zero, the opposite player is declared the winner.

In this sense, health points can be seen as competitive advantage that companies fight over in the real world. Competitive advantage is ultimately the reason companies use strategic management. A competitive advantage in general stands for the economic value created by a company in relation to its rivals. Economic value is the difference between the consumer's perceived value of company products and the actual costs of creating said products. The size of the competitive value increases, the more economic value a company is able to create compared to its rivals. Once a company has lost all of its competitive advantage, it is usually absorbed by bigger companies or goes out of business.

3.2.2 Mana points/ financial capital

At the beginning of the match, both players start with one mana point. Additionally, one mana point is gained each round, till a maximum of ten mana points. The mana point pool is refreshed each round, and it is up to the player how much mana is used for actions each round. Mana is used for the use of cards, since every card has a mana cost. More powerful cards usually cost more mana, but this is not always the case. A cheap card with clever play can be used to turn the tables.

As mana is essential in utilizing cards, so is financial capital in utilizing company abilities. Financial capital includes all the money sources a company possesses. Such sources are for example: investors, bonds, banks and so forth. Only a limited amount of financial capital is available at any given time to the company, which means that actions that are taken must be thought through to maximize the potential of financial capital. Financial capital is also regained continuously, which allows new actions to be taken.

3.2.3 Table/ markets

The table holds all the minions that the players have in play, and this is where most of the clashing between the players happens. Minions are on the table for as long as they have remaining health points available. Once a minion's health points reach zero, it is removed from the table. A total of eight minions can be at play at the same time on each side. If the player has no minions on the table, he is helpless to defend himself against the enemy attacks.

The table very clearly represents the environment in which companies' battle. Marketing campaigns are set in motion, company representatives are put into play and rival's employees are fought over market dominance. If a company has no assets in the markets, it has a disadvantage against its rivals. Still, even a single cleverly used employee or a marketing campaign, might be enough to bring down even the mightiest rivaling companies.

3.2.4 The hand/ the available physical, human and organizational capital

The hand holds the cards available to be played by the player. A hand is only seen by its holder and can hold a maximum of ten cards. Any excess cards drawn are instantly destroyed. The more cards the player has in his hand, the more strategic options he has in store. The player left with just a few cards in his hand, has fewer possible actions, which lowers the threat he poses to his opponent.

The hand can be seen as a representation of what kind of human, physical and organizational capital a company has available to it any given time. New capital is acquired periodically, and rivaling companies are usually aware of what type of capital a company might be able to have. No certainty can be had however, until a capital is used. Let's go through the different capitals available to the company.

3.2.4.1 Minions without special abilities/ physical capital

Minions without special abilities protect the player with sheer strength. The damage a minion is able to deal is displayed by the number in the lower-left side of the minion card. The amount of damage a minion is able to take is displayed in the lower-right side of the card. Every turn a minion can choose to attack either the enemy hero or any minions of the opposing hero. When fighting other minions, both the attacker and the defender receive the damage the opposing side is able deal. When a minions health points reach zero, it is discarded from play. A minion's health points are not restored after a turn, though there are spells that allow that.

These kind of basic minions represent the company's physical capital. Physical capital includes the company's geographical location, computer hardware and software, manufacturing processes and so forth. These resources can be lost to the owner and they must be preserved and renewed in order to allow the company to keep fighting its rivals.

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Minions with special abilities are exactly like their relatives, the basic minions, except with one major difference. A minion with special abilities has them printed on its card, right below the cards name. The abilities available to minions can be anything from obtaining more playable cards for the player, to destroying opposing minions outright. These kinds of cards are able to turn entire games around.

Human capital represents knowledge, experience and skill of individual employees. These employees are so powerful that they can by themselves influence the market. A company in possession of such employees finds it easier to create competitive advantage than its rivals. These individuals can be found in any level of a company, though in general their input is more easily seen in upper-level management. And just as minions with special abilities, so can these employees turn the tables in favor of their company.

3.2.4.3 Spells/ organizational capital

Spells in Hearthstone are usually instant in nature, and a spell once used, is discarded from play. Spells able the player to deal damage to the opposing side, or grant protection from the enemy. Proper usage of spells allows the player to strip his opponent of any minions and health points they might have. Also by turning a rival's most powerful minion into a helpless sheep is bound to be annoying for the rival.

Organizational capital, not unlike spells, is less tangible. Organizational capital encompasses such this as planning protocols, reputation, culture and coordination systems to name a few. Organizational capital is used in less direct ways to gain more competitive advantage and its potential might not be so obvious to the company's rivals.

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The hero represents the player and comes with a set of unique cards that can be used in the deck. These cards can be of any type, but are only available to single hero archetype. A mage (a type of wizard) for example has a lot spell cards and a warlock on the other hand has an arsenal of demons at his disposal. A hero also has a unique spell that can be used every round by

spending two mana points. For example, Jaina the mage is able to deal damage to enemies every round with her fireblast spell. The unique hero spell can be found on the right side of the hero's portrait. A hero cannot attack by himself, except when using weapons or hero spells. A hero also does not deal any damage back to attacking minions or heroes, even if he has a weapon equipped.

A hero can be thought of as a company. Once the hero perishes, none of its minions or spells matter anymore, the same applies to companies. Once a company runs out of competitive advantage, it is absorbed by others – or simply runs out of business - and its assets and resources are divided by the remaining rivals. The company as a whole is the one that makes the calls and creates the strategies and can thus be seen a representative of the hero. Companies can rarely be seen as an actor, but instead all of its resources and assets are used to push through its agenda. Companies are also unique in their operations and they all have their unique approach when it comes to competitive advantage. Some companies are good at creating ecological value for their products, while other are good at maximizing profits by catering to a broad audience of consumers. These can be considered as their hero spells, as they are unique for each company. Next we shall take a look at our three available heroes: the mage, the priest and the warlock.

3.2.5.1 The mage Jaina Proudmoore/ company A

Jaina Proudmoore is a hero that relies on casting destructive and disruptive spells to hinder her enemies. With her spells, she is able to weaken or outright destroy her opponent's most powerful minions or harm the enemy hero with impressive amounts of damage. Her hero spell allows her to harm her enemy every turn for minimal amount of damage.

A company that might be represented by Jaina would be a company that is very efficient in using its powerful organizational capital. Their reputation might outweigh their competitors, allowing them to directly increase their competitive advantage. Their management might also be designed in a way which allows fast sharing of information which in turn allows the company to swiftly react to threats created by their rivals. Be it a powerful individual manager or an efficient production line, a company such as Jaina would be able to disable it through legislation or by using the press to their advantage, digging dirty laundry on the new company manager.

3.2.5.2 The priest Anduin Wrynn/ company B

Being a priest, Anduin relies on healing and protecting himself and his minions. He is an expert of defensive tactics and can quickly bring back wounded minions to top shape. Being defensive does not mean that he has no means to hurt his enemies. He comes equipped with harmful spells meant to deal damage to either minions or heroes. His hero ability allows him to heal anything once every turn.

Anduin represents a company that concentrates on improving its infrastructure and taking good care of its employees. This happens by keeping their employees in good condition by using bonuses, vacations or using recreation days. Through these activities, the company is able to keep its employees working for longer periods of time as well as keeping its manufacturing plants and software in good shape by spending extra resources on their maintenance. A company such as this is not completely toothless and can apply its organizational capital to harm its rivals.

3.2.5.3 The warlock Gul'dan/ company C

Gul'dan is a warlock and specializes in demonic magic. Demonic magic allows him to rain fire on his enemies as well as leech away their health points to replenish his own. Gul'dan's demons are cheap to summon, but usually come with a cost. This cost might range from discarding Gul'dan's cards to destroying his own mana points for good. His hero power allows him to sacrifice his own health points to draw an extra card every turn. This forces him to juggle with his life in order to decimate his opponents.

A company such as Gul'dan takes great risks at attaining what it wants. This kind of company is willing to use dirty tactics to gain the upper hand, by even lowering their own competitive advantage, to later come on top. The company takes advantage of setback a rival might suffer and exploits it to the fullest. Bribing managers of a company or physically harming their factories is nothing this kind of company sees as illegal. Business is war and the strongest one sets the pace.

3.2.6 The deck/ available resources

The deck holds the remaining cards each player has put in to their arsenal of cards. Cards are drawn in a random order and once a deck is empty, no more cards are gained. When the player runs out of cards to draw, he begins to take damage every round. The damage received starts with one point and increases each round by one point. A deck needs to have precisely 30 cards.

The deck represents the available resources for a company. Some resources represent themselves quite unexpectedly and it is possible for companies to have a hunch of resources available to their rivals. If a company runs out of available resources, it usually spells inevitable doom for the company. It also allows rivals to more effectively manipulate the markets, while knowing that their rival is running out of available resources.

3.2.7 Previously used cards/ previously used resources

The list to the left side of the table displays the cards that have been played by both sides and it offers a good opportunity to figure out what cards to play in the future and how an opponent might be able to react to them.

The relation between the list of previously used cards and a company's resource history is quite obvious. Once a resource is used by a company, it is made for the entire world to see, which allows rivals to make a note of what kind of resources a company has used in the past, and what kind of resources it is likely to use in the future. The past offers valuable lessons on how to react to things in the future.

3.2.8 End-turn button/ end of the quarter

This button ends the turn when pressed and it can be pressed at any time during the players turn. If it is possible to play cards, the end turn button is lit green. If there are no available cards to play, it turns yellow. After it is pressed, the other player is able to play his turn and so forth.

The end turn button can be considered as an end to business quarter. Once a business quarter is considered finished, it remains to the companies to see how they fare against their rivals.

3.2.9 Minion attack power and health/ physical and human capital properties

As mentioned earlier, the value indicated in a minion card's lower-left corner represents the amount of damage the minion is able to deal to the opposing player.

The value on the lower-right corner of the minion card represents the amount of damage the minion is able to withstand before it is destroyed. Both these values can be altered, either by increasing or reducing them with spells or minion special abilities.

What was not mentioned earlier however was that these values can be found in the real world when discussing physical and human capital. The attack value could for example represent the effectiveness of any machinery, location or software. For human capital, the attack value could stand for experience and skill. Experience, skill and effectiveness can all be increased through the use of various methods like training, manufacturing development and so forth. The amount of damage a minion is able to take might represent durability for both physical and human capital. Machines as well as humans have durability. Machines are able to run a set amount of repetitive motions after which they require new parts. Humans have durability which could be understood as the amount of stress they are able to handle or other health related issues. Once this durability reaches zero, neither a machine nor human is able to continue to work efficiently. As it is important to keep an eye on these values in Hearthstone, so it is in the real world.

3.3 Turn structure/ a resource-based strategic management process

Hearthstone, while being a simple and easy to learn digital card playing game, enables players to execute intricate strategies with finesse. Being simple and easy to learn does not mean that it is not deep and full of potential for engaging strategic thinking. A veteran player of Hearthstone is very likely to defeat a less experienced player; still, there is a possibility of a less experienced player to defeat a veteran if the player puts his mind to work. Instead of just slapping cards on the table as they become available, the player needs to be aware of the possible reactions his opponent might have against him. This awareness is a part of a thought process called the resource-based strategic management process, or RBSMP. RBSMP consists of six different phases, which are present in every turn that passes playing Hearthstone. Let us take a look at those six different phases and translate them into the game context.

A mission is a long-term goal that a company is working towards. It can be a slogan, a mantra, Ten Commandments or whatever the company comes up with. In Hearthstone context it could

be that the hero's mission is to destroy the opposing hero by losing as little health points as possible, keeping enemy minions absent from the table, draining the enemy's deck so that he begins to take damage every turn and so forth. It mainly affects what kind of choices a hero makes in order to defeat his opponent

Good objectives are detailed and easy to monitor, bad objectives are the opposite. Objectives are used to make sure that the company stays on track while aspiring towards its mission. Objectives can include sales figures, employment longevity, employee satisfaction etc. In Hearthstone, it could mean that the player keeps track of how many cards he has available, how much damage he needs to deal to the enemy hero to deplete his health points, or how much mana both sides have available at any given time.

In the resource-based analysis phase a company needs to analyze its own four resources: financial, physical, human and organizational capital. The more a company knows about its own as well as its rival's resources, the better chances it has to react accordingly to different scenarios. By knowing a rival is able to bring into play a powerful spokesperson, production plant or a marketing campaign, the company is able to take steps to secure that any of those three resources have a minimum amount of effect. Hearthstone requires players to constantly keep in mind what kind of cards their opponent has, as well as the cards available to themselves. The players also have to keep an eye on their mana and health points to ensure that they will be able to battle for another round.

Strategic choice follows the previous phases and the decisions made in this phase uses the information gathered during the previous phases. Strategic choices are either applied in smaller context, or applied in scale that encompasses the whole company. The strategy which is chosen should support the company mission, involve the company's objectives, avoid the company's weaknesses and emphasize its strengths. In the game context, this phase happens the second before you decide to play a card.

A company proceeds to the strategy implementation phase after it has picked a strategy with which to approach a situation. This phase is rather self-explanatory, as it is simply the phase when a company sets a strategy in motion. In Hearthstone, it is the phase when the player plays his first card. After the RBSMP has run its course, it is time for the rivals to react to the company's new strategy and they will proceed through a similar process to counter the strategies an

opposing company has implemented. The same happens in Hearthstone as the turn is passed to the opposing hero in which he tries to set his own strategies to thwart the other player.

The final phase of the RBSMP is the competitive advantage phase. This phase ultimately shows how many health points the player and the opponent have left at the end of the turn. In other words, it shows the amount of resulting difference in competitive advantage between the companies.

4 Discussion

As pointed out by Prensky, the learning methods of today have been rather slow to adapt to the emerging needs of a digital native generation. As our youth spends countless of hours in front of multimedia platforms, it becomes increasingly apparent that they need a learning environment that is able to create a similar kind of engagement. We should start building these kinds of environments piece by piece and that is where for example Hearthstone comes into play.

When discussing Hearthstone, words such as fun, play, rules, interactive and problem solving all come to mind. These are just a few characteristics associated with games, characteristics required by our digital native learners. Hearthstone has been created with a sole purpose in mind, to be as engaging and fun as possible. A positive and effective learning situation is created when a learner is having fun while learning. I believe that Hearthstone can accomplish that, especially when the topic learned is strategic management. I do agree however that Hearthstone is probably not the best way to learn English or statistics, but in the context of strategic management it really shines. Hearthstone also supports the different features of a digital native's learning process. Hearthstone prioritizes graphics over text, being connected over standing alone, being active over being passive, playing over working and technology as a friend rather than as a foe etc. I think these are valid signs of Hearthstone's potential to be a powerful supporting teaching method for digital native learners.

Being a powerful supporting teaching method means that Hearthstone is not capable of carrying a whole curriculum by itself. Hearthstone should be used as an introduction to strategic management, or occasionally visualize and demonstrate strategic management concepts. It requires a person to translate the strategic management theory into the game context and as such is dependent on an efficient presenter. Hearthstone might also require a bit of getting used to, especially for people who are not considered to be digital natives, or people who are not very familiar with technology, for example elderly people. Being a digital native or not, Hearthstone could provide a bit of a change to lectures and familiarizing people with using games for learning. In my own opinion, Hearthstone should be given a chance to help people to learn about strategic management, because it certainly helped me.

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The image shows a wooden book cover with a central emblem. The emblem is a glowing blue eye with a spiral iris, set within a golden, multi-pointed starburst frame. The text is written in a golden, serif font with a blue glow effect. The book is bound in dark wood with gold-colored metal corner protectors.

A Hearthstone Manual:

An Eye for strategy

*By
Aku Lehtonen*

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1. Introduction

Games have been used to simulate real world situation since they were invented. Battles were first played out on a game board, before the real battle would take place on the battle field. Games give the opportunity to approach a subject in a safe environment and in an environment which enables the players to perceive the situation at hand, better. A company called Blizzard Entertainment developed a game named Hearthstone, which is a simple, yet engaging digital card playing game. This is why I chose to use Hearthstone as a tool to help visualize strategic management process, resource-based view and competitive advantage. Those three terms might be a little hard to grasp when first introduced while studying strategic management, but I aim to use Hearthstone to better convey the meaning behind the terms and in general give a clearer view of what takes place when companies compete. That is why I created this manual which is to be used while playing

Hearthstone, to help associate the strategic management process more easily with the game. The manual is meant to be used by teachers and students alike. Next, I will go through the requirements to play Hearthstone, after which I will dive into translating the Hearthstone environment into a corporate one.

2. Requirements

In order to be able to play Hearthstone, a computer (PC or Mac), or an iPad is required. Hearthstone is relatively light on system requirements and in general if the computer or mac you own is around three to five years old or newer, you should be able to play Hearthstone. You can use the webpage <http://www.systemrequirementslab.com/>, if you want to be completely sure that Hearthstone will be able to run on your system. If you want to play Hearthstone on your iPad, you need to have iPad Air, iPad 2 or later or iPad mini. An internet connection is required for all the different

platforms, because Hearthstone cannot be played offline. Hearthstone also takes up to three gigabytes of space in your computer's storage.

Hearthstone uses a launcher developed by Blizzard Entertainment called Battle.net. In order to use Battle.net to download and play Blizzard's games, a player account is required to sign in to the launcher. You first need to download the game installer after which you can create an account and sign in to the launcher. You can download the game from this Blizzard's homepage, <http://eu.blizzard.com/en-gb/>.

3. Getting started

When Hearthstone is first installed and launched on a platform, a tutorial **must** be completed in order to play the game properly. The player must clear six stages, which introduce different aspects of the game. Once the tutorial is completed, the player is able to proceed to unlocking other content in the game. The tutorial takes around 45 minutes

to complete. The difficulty level of the tutorial is between easy to mediocre depending on the player skills. The tutorial is only available once per player account.

4. Preparing for the demonstration

After the tutorial is cleared, the player is able to play with one hero, Jaina Proudmoore. For this demonstration we need to unlock two additional heroes. Unlocking of the additional heroes is necessary, because the idea behind the demonstration is to pit the heroes against each other. To do this, the player needs to press the "solo adventures" button on the main menu. After this, the player needs to click the "practice" button in the upper-right corner and then press the "normal difficulty" drop down button. In the hero selection panel only Jaina Proudmoore is available. To unlock the two additional heroes needed for this demonstration the player must click on Jaina and then press the "choose" button to the

right, after which you need to choose either the priest or the warlock hero to play against. After an opponent has been selected, the “play” button must be pressed. The player will then proceed to fight either one of these champions using Jaina. After you have defeated both the warlock and the priest, you are able pit them against each other, which is necessary for the demonstration. The opposing champion is controlled by the computer.

5. Basic rules

The main objective of each match is to deplete your opponent’s health points. In order to do this, the player must use an array of minions, a type of monster, and spells. The game is turn-based, which means that when the player plays his turn, the opponent has to wait for him to finish his moves, after which the turn is given to the opponent and so forth. At the beginning of the match, a coin toss determines which player goes first. The player who goes second, is given a special card called “The

Coin”. The coin acts as a single mana point (see chapter 6.3), that can be used at any point of the match to gain a temporary mana point for one turn. After the turn order has been decided, a discard phase follows, allowing players to edit their starting hand. Matches usually last around 15 minutes, but can last up to 25 minutes.

6. Translating the setting of the game

6.1 The Setting

The play setting consists of 12 different aspects, which can also be translated into a corporate context. All the matches that take place in the game happen in the very same setting, every single time. Let’s start by going through all the different aspects. The most visible aspects are pointed out in the screen capture below. The aspects are darkened and tagged with numbers.

The Innkeeper

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6.4

6.9 END TURN

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6.6

6.2

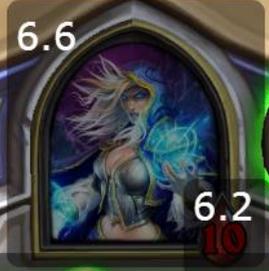
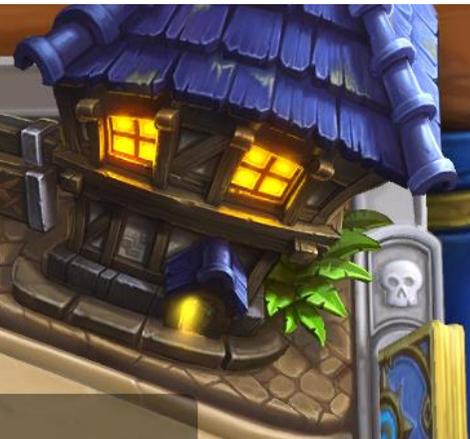
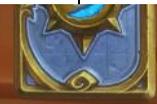
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6.2 Health Points/ Competitive Advantage

Health points represent the amount of damage that the hero can take. Both players start the game with 30 health points. It is not possible to gain more than thirty health points, but there are ways to restore them. Once a player's health points reach zero, the opposite player is declared the winner.

In this sense, health points can be seen as competitive advantage that companies fight over in the real world. Competitive advantage is ultimately the reason companies use strategic management. A competitive advantage in general stands for the economic value created by a company in relation to its rivals. Economic value is the difference between the consumer's perceived value of company products and the actual costs of creating said products. The size of the competitive value increases, the more economic value a company is able to create compared to its rivals. Once a company has lost all of its competitive advantage,

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unique in their operations and they all have their unique approach when it comes to competitive advantage. Some companies are good at creating ecological value for their products, while other are good at maximizing profits by catering to a broad audience of consumers. These can be considered as their hero spells, as they are unique for each company. Next we shall take a look at our three available heroes: the mage, the priest and the warlock.

6.6.1 The Mage Jaina Proudmoore/ Company A

Jaina Proudmoore is a hero that relies on casting destructive and disruptive spells to hinder her enemies. With her spells, she is able to weaken or outright destroy her opponent's most powerful minions or harm the enemy hero with impressive amounts of damage. Her hero spell allows her to harm her enemy every turn for minimal amount of damage.

A company that might be represented by Jaina would be a company that is very efficient in using its powerful organizational capital. Their reputation might outweigh their competitors, allowing them to directly increase their competitive advantage. Their management might also be designed in a way which allows fast sharing of information which in turn allows the company to swiftly react to threats created by their rivals. Be it a powerful individual manager or an efficient production line, a company such as Jaina would be able to disable it through legislation or by using the press to their advantage, digging dirty laundry on the new company manager.

6.6.2 The Priest Anduin Wrynn/ Company B

Being a priest, Anduin relies on healing and protecting himself and his minions. He is an expert of defensive tactics and can quickly bring back wounded minions to top shape. Being defensive does not mean that he has no means to hurt his

enemies. He comes equipped with harmful spells meant to deal damage to either minions or heroes. His hero ability allows him to heal anything once every turn.

Anduin represents a company that concentrates on improving its infrastructure and taking good care of its employees. This happens by keeping their employees in good condition by using bonuses, vacations or using recreation days. Through these activities, the company is able to keep its employees working for longer periods of time as well as keeping its manufacturing plants and software in good shape by spending extra resources on their maintenance. A company such as this is not completely toothless and can apply its organizational capital to harm its rivals.

6.6.3 The Warlock Gul'dan/ Company C

Gul'dan is a warlock and specializes in demonic magic. Demonic magic allows him to rain fire on his enemies as well as leech away their health

points to replenish his own. Gul'dans demons are cheap to summon, but usually come with a cost. This cost might range from discarding Gul'dan's cards to destroying his own mana points for good. His hero power allows him to sacrifice his own health points to draw an extra card every turn. This forces him to juggle with his life in order to decimate his opponents.

A company such as Gul'dan takes great risks at attaining what it wants. This kind of company is willing to use dirty tactics to gain the upper hand, by even lowering their own competitive advantage, to later come on top. The company takes advantage of setback a rival might suffer and exploits it to the fullest. Bribing managers of a company or physically harming their factories is nothing this kind of company sees as illegal. Business is war and the strongest one sets the pace.

6.7 The Deck/ Available Resources

The deck holds the remaining cards each player has put in to their arsenal of cards. Cards are drawn in a random order and once a deck is empty, no more cards are gained. When the player runs out of cards to draw, he begins to take damage every round. The damage received starts with one point and increases each round by one point. A deck needs to have precisely 30 cards.

The deck represents the available resources for a company. Some resources represent themselves quite unexpectedly and it is possible for companies to have a hunch of resources available to their rivals. If a company runs out of available resources, it usually spells inevitable doom for the company. It also allows rivals to more effectively manipulate the markets, while knowing that their rival is running out of available resources.

6.8 Previously Used Cards/ Previously Used Resources

The list to the left side of the table displays the cards that have been played by both sides and it offers a good opportunity to figure out what cards to play in the future and how an opponent might be able to react to them.

The relation between the list of previously used cards and a company's resource history is quite obvious. Once a resource is used by a company, it is made for the entire world to see, which allows rivals to make a note of what kind of resources a company has used in the past, and what kind of resources it is likely to use in the future. The past offers valuable lessons on how to react to things in the future.

6.9 End-Turn Button/ End of the Quarter

This button ends the turn when pressed and it can be pressed at any time during the players turn. If it is possible to play cards, the end turn button is lit

green. If there are no available cards to play, it turns yellow. After it is pressed, the other player is able to play his turn and so forth.

The end turn button can be considered as an end to business quarter. Once a business quarter is considered finished, it remains to the companies to see how they fare against their rivals.



7. Minion Attack Power and Health/ Physical and Human Capital Properties



As mentioned earlier, the value indicated in a minion card's lower-left corner represents the amount of damage the minion is able to deal to the opposing player.

The value on the lower-right corner of the minion card represents the amount of damage the minion is able to withstand before it is destroyed. Both these values can be altered, either by increasing or reducing them with spells or minion special abilities.

What was not mentioned earlier however was that these values can be found in the real world when discussing physical and human capital. The attack value could for example represent the effectiveness of any machinery, location or software. For human capital, the attack value could stand for experience and skill. Experience, skill and effectiveness can all be increased through the use of various methods like training, manufacturing development and so forth. The amount of damage a minion is able to

take might represent durability for both physical and human capital. Machines as well as humans have durability. Machines are able to run a set amount of repetitive motions after which they require new parts. Humans have durability which could be understood as the amount of stress they are able to handle or other health related issues. Once this durability reaches zero, neither a machine nor human is able to continue to work efficiently. As it is important to keep an eye on these values in Hearthstone, so it is in the real world.

7. Turn Structure/ A Resource-based Strategic Management Process

Hearthstone, while being a simple and easy to learn digital card playing game, enables players to execute intricate strategies with finesse. Being simple and easy to learn does not mean that it is not deep and full of potential for engaging strategic thinking. A veteran player of Hearthstone is very



likely to defeat a less experienced player; still, there is a possibility of a less experienced player to defeat a veteran if the player puts his mind to work. Instead of just slapping cards on the table as they become available, the player needs to be aware of the possible reactions his opponent might have against him. This awareness is a part of a thought process called the resource-based strategic

management process, or RBSMP. RBSMP consists of six different phases, which are present in every turn that passes playing Hearthstone. Let us take a look at those six different phases and translate them into the game context.

7.1 Mission

A mission is a long-term goal that a company is working towards. It can be a slogan, a mantra, Ten Commandments or whatever the company comes up with. In Hearthstone context it could be that the hero's mission is to destroy the opposing hero by losing as little health points as possible, keeping enemy minions absent from the table, draining the enemy's deck so that he begins to take damage every turn and so forth. It mainly affects what kind of choices a hero makes in order to defeat his opponent.

7.2 Objectives

Good objectives are detailed and easy to monitor, bad objectives are the opposite. Objectives are used to make sure that the company stays on track while aspiring towards its mission. Objectives can include sales figures, employment longevity, employee satisfaction etc. In Hearthstone, it could mean that the player keeps track of how many cards he has available, how much damage he needs to deal to the enemy hero to deplete his health points, or how much mana both sides have available at any given time.

7.3 Resource- Based Analysis

In the resource-based analysis phase a company needs to analyze its own four resources: financial, physical, human and organizational capital. The more a company knows about its own as well as its rival's resources, the better chances it has to react accordingly to different scenarios. By knowing a rival is able to bring into play a powerful

spokesperson, production plant or a marketing campaign, the company is able to take steps to secure that any of those three resources have a minimum amount of effect. Hearthstone requires players to constantly keep in mind what kind of cards their opponent has, as well as the cards available to themselves. The players also have to keep an eye on their mana and health points to ensure that they will be able to battle for another round.

7.4 Strategic Choice

Strategic choice follows the previous phases and the decisions made in this phase uses the information gathered during the previous phases. Strategic choices are either applied in smaller context, or applied in scale that encompasses the whole company. The strategy which is chosen should support the company mission, involve the company's objectives, avoid the company's weaknesses and emphasize its strengths. In the

game context, this phase happens the second before you decide to play a card.

7.5 Strategy Implementation

A company proceeds to the strategy implementation phase after it has picked a strategy with which to approach a situation. This phase is rather self-explanatory, as it is simply the phase when a company sets a strategy in motion. In Hearthstone, it is the phase when the player plays his first card. After the RBSMP has run its course, it is time for the rivals to react to the company's new strategy and they will proceed through a similar process to counter the strategies an

opposing company has implemented. The same happens in Hearthstone as the turn is passed to the opposing hero in which he tries to set his own strategies to thwart the other player.

7.6 Competitive advantage

The final phase of the RBSMP is the competitive advantage phase. This phase ultimately shows how many health points the player and the opponent have left at the end of the turn. In other words, it shows the amount of resulting difference in competitive advantage between the companies.

8. Final Words

I sincerely hope that his manual has helped you to better understand the field of strategic management. I hope you have also learned why companies invest in the creation of strategies. I set out to create this manual out of something I have already mastered and out of something I had very little knowledge about beforehand. Creating this manual has also helped ME to learn about strategic management, as well as my own potential to work independently. If you have any questions about the manual or anything related to it, feel free to contact the author at ahe.lehtonen@gmail.com.

All the best,

Aku Lehtonen