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Rising to the Challenge of Virtual in the Age of COVID-19: The Macro Framework of Three New Normals (3NN)

Prof. Yesha Sivan

The Chinese University of Hong Kong
Business School, HK

Yonatan Rabinovitch

i8 Ventures
Tel Aviv, Israel

Abstract

Following COVID-19, virtual technologies, theory and practice, are now core. Thus, our JVWR community is called upon to provide guidance, and we are required to collectively think and do. To jump-start this call for leadership, we present the 3NN framework (three new normals) to meet the mental challenge of the COVID-19 black swan and provide a strategic direction. Using the framework, and based on individual internal risk appetite and external market conditions, one should estimate the relative time each New Normal will take. Then, you or your organization must choose how to lead. For that, we provide a three-pronged tactic: defense, offense, difference.¹

Preamble

When we started planning the “Dark Side” issue of the Virtual Worlds last year, NO ONE IMAGINED that humanity would be in ONE OF ITS DARKEST times – the age of COVID-19. Consequently, and of special interest to our JVWR (Journal of Virtual Worlds Research) community, much of human activity, be it meeting your parents or kids, taking a course or learning a new skill, or hanging with friends or colleagues – is virtual.

Virtual technologies, theory and practice are now core. Thus, our JVWR community is called upon to provide guidance, and we are required to collectively think and do. Towards that end, in the coming weeks, we will launch a “call for leadership on the virtual” to jointly design and implement the measures we as a community and our journal should take. If you wish to join this JVWR

¹ Yesha’s note: I dedicate this paper to the memory of Avishai Friedman, my beloved almost-twin cousin. We share a similar name following our grandfather, and an intellectual passion for thinking and doing. I am already missing his kind smile.

community leadership effort, sign up for “[Leadership on the virtual](#)” – and we will keep you in the loop.

To jump-start the conversation, let me share my macro view on COVID-19 -- what I call “COVID-19 Three New Normals (3NN).” Note that 3NN was designed as a flexible descriptive mental framework allowing us to be optimistic, pessimistic, and realistic. For me, and I hope for others, such a framework is both comforting and a drive for action.

1. First-Order Problem: The Mental Challenge of a Black Swan Event

I have followed the then called Wuhan Virus since the Johns Hopkins University (JHU) site² listed less than 20 fatalities. The rise in numbers, together with my direct communication with Wuhan residents – reprogrammed my brain and gave me time to change. Still, I am not sure that my response, while being defensive (e.g., selling stocks) and offensive (e.g., re-aligning my business to 100% virtual) – created enough difference. How to react in such situations is a mental challenge that calls for readjustment of the “operating system.”

Let us explore this needed readjustment. Until February 2020, the popular perception in places like Tel Aviv, London, and Washington DC, was that: COVID-19 was hype, and would soon diminish like SARs, MERS, or Ebola. But, as people’s flights were canceled, they began to take notice; then came Italy; then came toilet paper; then came working from home; then the USA “became great.” And then came global lockdowns.

Many individuals and organizations, even as a broad global consensus emerges that COVID-19 is a major crisis, continue to treat the matter as just another crisis: “This is tough, but we will be back to routine shortly.” Reprogramming the “operating system” is difficult.

In reality, what we are faced with is something entirely different: A Black Swan event (Taleb, 2010)³: A once in one-hundred-year tectonic change, on the scale of the Spanish Flu, The Second World War, and, conversely, the Discovery of the Americas or the invention of the engine. An event from which, for better or worse, there is no going back. Understandably, it is difficult for people to internalize the change when they lack similar experience in their living memories. This is the mental challenge posed by a Black Swan.

2. A First-Order Solution: Suggested Strategy – Three New Normals (3NN)

My solution to this cognitive problem is a conceptual model for understanding the coming changes to our lives, composed of three consecutive normals of existence, each extending for a certain period of time.

- **New Normal 1** – The first normal is the present in most of the world: Lockdowns, 20%, then 30%, even 50% unemployment, school closures, and social distancing.
- **New Normal 2** – The second normal is what countries like China, Korea, or Singapore are currently experiencing: Partial back-to-business, schools remaining closed, restrictions on movement, disillusionment with the old normal, and relapses – recurring outbreaks causing local paralysis.

² <https://gisanddata.maps.arcgis.com/apps/opsdashboard/index.html?fbclid=IwAR1pzdeukJE1bo6uNev4Aw3NxcJ8-xG4-9pLHR3J4V2LzIuluZ3KHJiZfOo#/bda7594740fd40299423467b48e9ecf6>

³ Taleb, N. (2010). *The Black Swan (2nd Ed)*. Random House Publishing Group.

- **New Normal 3** – The third normal is the new world. There will be some winner industries like healthcare, agriculture, and digital, which will thrive. Other industries, like hospitality, travel, and real-estate, will forever change or will be wiped out entirely. We will have new winners and losers across geographic areas, social classes, and types of firms (what will be the future of SMBs, and the Gig workers.) In the third normal, we will also see a value shift that takes people “back to basics”; perhaps to a slower, deeper, more mindful world.

Note: the move from New Normal 2 to New Normal 3 relies on the development of a vaccine.

3. A Second-Order Problem: Unknown Timescales

Assuming we adopt the three new normals framework (and I believe there is a wide agreement on New Normal 1 and 2, and, naturally, more permutations for New Normal 3), a second challenge arises. How long will the New Normal 1 and 2 take? The problem is that we simply do not know.

Here are three options for the length of each new normal:



(a) describes the best-case scenario (approximately China’s timeline), with three months of New Normal 1 lockdown conditions, an estimated six months of New Normal 2, and ongoing New Normal 3. (b) and (c) would describe progressively longer scenarios.

4. Conclusion: Suggested Tactic – Defense, Offense & Difference

The key is decisively adapting to New Normal 1 and 2, and then planning for New Normal 3.

Following the 3NN strategic framework, a three-part tactic emerges – Defense, Offense & Difference. (While such strategies are naturally geared towards organizations, the same principles apply to individuals and nations). This tactic is to be implemented at any stage of the new normals.

1. **Defense** – Organizations must gain a foothold against the onslaught. Assess, make painful cuts, renegotiate, and create an emergency toolkit – anything to keep their heads above water.
2. **Offense** – Organizations must go on the short-term offensive. Expand as much as they can with the tools already at their disposal. In other words, to make the most out of available resources within their chosen ecosystem.
3. **Difference** – Finally, organizations must seek to differentiate themselves, with new products, strategies, marketing, outlooks, etc. Organizations that do not adapt to the changes brought by COVID-19 will quickly drift into irrelevancy. This stage presents as many opportunities as it does threats.

In conclusion, we presented the 3NN framework (three new normals) to meet the mental challenge of the black swan and provide a strategic direction. Using the framework, and based on individual internal risk appetite and external market conditions, one should estimate the relative time each New Normal will take. Then, you or your organization must choose how to lead. For that, we provide a three-pronged tactic: defense, offense, difference.

Historically, humanity has confronted – and adapted to – similar black swan challenges. It behooves our generation, for our and those around us benefit, to understand and then act, and hopefully, lead towards progress.