How to Promote the Value of Online Training Within Your Organization

Large and small companies throughout the world are employing live online training to drive productivity and maintain their competitive edge. You could be doing it too.
Executive Summary

The worldwide economic recession has prompted companies everywhere to scour their business practices for opportunities to increase efficiency and cut costs. That includes how they train their employees and customers. Fortunately, when it comes to training, the pathway to meeting both objectives is clear. Companies of all sizes are discovering the benefits of Web-based training.

Today’s dizzying array of computer-based technologies has radically enhanced the ability of companies to “connect” with their employees and customers. Among the most profound of these is the ability to conduct live training and meeting sessions via the computer to widely distributed audiences. Businesses are experiencing dramatic savings by avoiding expensive travel and lodging required for in-person training, while also improving performance and morale.

Web-based training applications provide an online environment that combines interactive virtual classroom learning, meeting and Web seminar capabilities to enable eLearning and collaborative Web conferencing throughout the world. They are designed to meet the needs of businesses clamoring for convenient, secure and cost-effective alternatives to in-person gatherings. Another driver for businesses is the increased emphasis on “informal” learning, which comprises most of the corporate knowledge transfer within many organizations. Collaboration using Web-conferencing technology can be used to encourage and facilitate informal learning activities.

An obvious opportunity for cost savings within any company is the training function, typically a tradition-bound operation scattered throughout an enterprise. Its reliance on instructor-led training results in time-consuming classes that require expensive travel, lodging and lost productivity to meet proficiency training, compliance and other obligations. Does this sound like your organization?

In many cases, on-site instruction can be successfully conducted in virtual settings via Web conferencing tools. Yet despite these obvious advantages, many companies still cling to the status quo. That invariably means strong resistance from tradition-bound managers who are reluctant to try new technologies and who remain skeptical of today’s “blended learning” solutions. Ironically, this resistance often comes from the very executives who are seeking to reduce their company’s reliance on fixed resources such as real estate used for meetings and classrooms.

The goal of this white paper is to help professionals overcome that resistance so their organizations can enjoy the many benefits offered by online training and conferencing technologies. It will help to present a clear and convincing case for online training to colleagues and superiors who need to know more about their advantages. The paper will thoroughly explore today’s modern learning landscape and how it is viewed by cutting-edge organizations. It will offer enlightening case studies that illustrate precisely how individual companies are utilizing Web-based training and meeting applications.
The Evolution of Online Training

Overview. The use of personal computers and the Internet for training purposes has enjoyed steady growth and technological advance since its debut in the mid 1990s. For example, eLearning courseware has become a popular workhorse for businesses, government organizations and academic institutions after shedding its image as a tedious “electronic page turning” exercise.

Today, thousands of full- and part-time students are enrolled in distance learning programs earning undergraduate and advanced degrees from prominent universities without ever setting foot on campus. Similarly, global corporations train remote audiences without regard to language and geographic barriers. Training, meetings, and collaboration sessions are a big part of today’s corporate environment and explain why expenditures for learning services in North America were roughly $130 billion in 2008, according to industry analyst firm Training Industry, Inc., Cary, North Carolina.

Many employers throughout the world rely on eLearning technologies as part of blended training solutions

At a Glance: 12 Reasons to Employ Live Web-based Training

1. Avoidance of travel costs. As much as 40 cents of every dollar spent on in-person training goes to travel and lodging costs, studies show. Those and other fixed expenses are avoided entirely when Web-based training replaces classroom instruction. The result is dramatically lower costs per-person trained. That fact alone often justifies the switch to online training.

2. Convenience. Instead of mandatory travel to a single location to receive instruction, busy employees and others can participate in training and meeting sessions on their laptops at locations convenient to them. Online meeting products can be employed immediately to deliver and share important information.

3. Increased retention and productivity. Collaborative learning events increase participant retention and satisfaction, resulting in higher productivity. Factors include more time on the job with the elimination of instructional travel.

4. Security. Web-based meetings and training sessions can be held with complete assurance for the safeguard of valuable intellectual property with password-based user authentication, end-to-end encryption and other available security features.

5. Interactivity. Rich interaction capabilities with and among participants are a principal benefit of online training. Tools include dashboards, polls, and question/answer capability, enabling participants to interact and presenters to obtain instant feedback.

6. Flexibility. Presenters can conduct large and small meetings in user-friendly and appealing forums that run the gamut from formal presentations to the most impromptu brainstorming session or just-in-time training instruction. Events can be recorded and archived for on-demand viewing by interested parties including new hires and customers. Content is available around the clock.
combining different delivery media with traditional classroom instruction. In many companies, eLearning courseware is administered through enterprise-wide learning management systems as part of talent management programs aimed at recruiting and retaining skilled employees.

Fortunately, it is not necessary for businesses to employ such elaborate and expensive technologies to enjoy the fruits of online training. One of the most economical avenues is through Web-based learning and meeting software. These versatile applications enable companies to conduct a broad array of live events ranging from informal “on-the-fly” meetings or training sessions to elaborate virtual classroom programs attended by scores of participants. They can be implemented quickly to provide secure, high-impact multi-media sessions. Events can also be recorded and archived for future access.

**Growth in Customer Training.** One of the most rapidly expanding applications of online training technologies is the delivery of timely and useful information about products and services to customers, suppliers, dealers, channel partners, investors and other essential non-employee constituents. A relative smorgasbord of delivery methods is available for businesses to present this critical information in formats that are convenient and appealing to the diverse audiences. They include traditional eLearning courseware, simulations, game-based tutorials and virtual classroom training presented live or on-demand.

7. **Informal learning.** The ease of launching spontaneous Web-based meetings corresponds with today’s emphasis on informal learning, a growing segment of corporate knowledge transfer within many organizations.

8. **Ease of preparation.** Some Web-based training applications can be easily mastered and immediately employed by subject matter experts without IT support. This will increase their motivation to consider online training when the need to communicate arises.

9. **Ease of reporting and analysis.** Live session registration identifies registrants for future communication, gathers feedback and assesses overall interest. Built-in reporting capabilities allow moderators to track attendees for each session including questions they ask and response to polls/Q&A. This is especially useful for student evaluation, as well as compliance and other mandatory training where specific reporting is required.

10. **Accessible data.** Readily available data also enables appropriate and timely followup, including evaluation and immediate contact of participants. That is especially valuable for customer training, and sessions where time-to-market urgency is important.

11. **Enhanced organizational productivity.** Busy executives and other SMEs can get multiple usage out of do-it-yourself Webinars and Web-based training applications. This means less time spent on planning and managing activities.

12. **Measurable global impact.** Even the smallest organizations can reach distant customers and representatives with valuable training, “leveling the playing field” with larger competitors. Data gathered from participating customers allows organizations to respond to ever-changing market conditions.
The growth of this dynamic market reflects several important drivers. Most importantly, timely customer training has been clearly demonstrated to increase sales, customer retention and customer satisfaction by building loyalty and product knowledge.

These benefits explain why the average company devotes greater resources for the training of its customers than its employees, according to research by Training Industry, Inc. This growing proportion of corporate training spend is expected to increase from 58% last year to 59.5% during 2009.

Not only is customer training rewarding for businesses, it is relatively easy to justify since the return on investment (ROI) translates directly to the bottom line. In addition, research continually demonstrates that the cost of retaining an existing customer is far less expensive than attracting a new one. In short, the more knowledgeable customers are about a product or service, the more loyal they will be to the supplier.

Cost Savings Come First. Almost 80% of executives who employ Web-based training and conferencing cite the elimination of travel costs as an important reason for doing so, according to a recent study of training techniques by Osterman Research, Inc. The study demonstrated an increase by respondents in the use of online training during the previous 12 months, including Web conferencing for employee and customer training. It also cites a corresponding decrease in in-person training.

The study said the leading reason individuals choose to attend online training sessions or Webinars as a replacement for in-person events is the ease of fitting them into their schedules. Fully 82% of respondents cited convenience as a motivating factor.

The benefits of increased flexibility also rank high among respondents to another recent survey about Web-based training conducted by Wainhouse Research. That study said Web conferencing accomplishes two key things for training organizations: It allows trainers to reach and include learners who could not attend before and it supplements in-person courses.

The Modern Approach to Learning

These online Web conferencing technologies have helped spawn another 21st-century business phenomenon, the collaborative workplace. It’s an environment where information travels freely, employees are networked with peers both inside and outside the organization, and where people solve challenges together. In short, it’s where employees work as a unified team.

In this environment, tech-savvy team players thrive on text messages and e-mail, online meetings (often hurriedly arranged),
and social networking tools. They prefer unstructured, just-in-time learning opportunities to formal training sessions, with information presented in bite-sized morsels precisely when it’s most needed. Dull instructor-led classes and PowerPoint presentations bore them to tears. This is why online training meets the needs of today’s multigenerational workforce, especially the 75 million “Millennials” currently entering the U.S. workforce.

At the same time, businesses of all sizes are revamping the traditional model used to deliver workforce training. They are replacing the costly “supply-based” model, typified by catalogues of available courseware, with a demand-based formula that strictly aligns training with the company’s business needs. Leading companies no longer view training as an entitlement, but rather as a tool to drive performance excellence and business results. They are encouraging training departments to perform their rightful role in the drive for productivity and efficiency within the enterprise.

“Today’s business world demands a combination of formal and informal learning with an emphasis on collaboration, knowledge sharing, social networking, coaching, and mentoring,” explains Josh Bersin, president of research and advisory firm Bersin & Associates. “While formal, instructor-led training is not going away, it is becoming a smaller and smaller percentage of training budgets. Business, HR, and learning leaders must think differently about corporate training and focus on those informal and collaborative strategies that will save money and increase the breadth of organizational learning,” he says.

The new learning model features short and tightly focused instruction sessions delivered to individuals or groups that need it at precisely the right times. Results are measured not by the number of courses delivered and employee satisfaction levels, but by the achievement of key performance benchmarks and bottom line impact. It is nothing less than a paradigm shift from training to performance, made possible largely by advances in Web-based instruction.

Elimination of redundant training-related services and vendors is another feature of this new paradigm. “Whether the objective is to reduce costs, increase access to information about training activities and results, or improve economies of scale, you can expect more companies to consolidate duplicative activities,” says Doug Harward, president of Training Industry, Inc.

Now is the time for companies to reposition the training function, agree most training consultants. And indeed they are. Companies are trimming staff, cutting most non-strategic training programs, curbing travel and increasing their reliance on Webcasting and virtual classrooms, says advisory firm Bersin & Associates. At the same time, they are diligently seeking to recruit and retain talented young employees from the Millennial generation by emphasizing social networking tools and informal learning strategies.
Measuring the Impact of Online Training

Return on Investment (ROI). Members of the training profession often debate the hard and soft performance gains from employee training in today’s workplace, but on one subject there is no argument. As much as 40 cents of every dollar spent on in-person training goes to travel and lodging costs, studies show. Avoiding that expense should be a primary goal of any learning organization.

The single most effective way to eliminate in-person training related costs is to replace classroom instruction with online training. A simple ROI analysis of the savings can underscore the point within your own organization.

Calculating such direct savings is not rocket science, explains T+D magazine, published by the American Society for Training and Development. “The standard ROI equation calculates Return as equal to Benefits divided by the Cost of the System. Easily determined hard savings include reduction in travel and training budgets, instructors, physical facilities, training materials, administrative time, and hours of lost productivity when the employee is off-site,” it reports. Less easily measured are improved productivity and proficiency, learning curve, retention, employee satisfaction, and morale, says T+D.

Here’s how to do it. First, determine the current cost for a specific period of classroom training including travel and lodging expenses for out-of-town attendees, vendor payments if applicable, administrative overhead, real estate expenses and instructor time. Don’t bother calculating more intangible expenses such as time off the job if you don’t want to. Total those expenses and compare them with the estimated costs associated with an online training application. The difference will probably astound you.

Yet, the intangible advantages of Web-based training are important factors too. For example, a meaningful but decidedly more elusive comparison also can be made between live collaborative learning and asynchronous e-learning courseware. It involves the bond shared between participant and instructor that results in improved performance and higher morale.

Unlike with asynchronous e-learning courseware, participants in a live collaborative learning event share the same important bond with their instructors and colleagues as they would in an in-person setting. That connection translates into performance gains.

“Our studies have shown that participants in e-learning programs are less likely to follow through than in an instructor-led program,” notes Jack Phillips, Ph.D., chairman of the ROI Institute and a renowned expert on accountability and evaluation. “In an instructor-led process there is often a commitment made between the participant and the instructor that might increase the likelihood of participants applying what was learned,” he says.
Case Studies: An Inside Look at Online Training’s Advantages

We have selected two companies to demonstrate the dramatic cost savings and other gains experienced by replacing in-person instruction and meetings with online collaboration software. Both organizations are clients of Citrix Systems, Inc., developer of Citrix® GoToMeeting®, Citrix® GoToWebinar® and other Web-based collaboration tools.

Pearson Digital Learning
The company produces innovative educational products that help pre-kindergarten through high school students from more than 50,000 schools excel in a variety of subjects.

Challenge: Reduce time and travel costs for product training

A training team at the company’s Scottsdale, Arizona headquarters is responsible for making sure regional educational consultants receive important product education and information. But, conducting in-person training at individual sites or at headquarters was impractical and expensive.

Solution: Remote training over the Web

Pearson Digital Learning began employing Citrix GoToMeeting Corporate to provide fast, cost-effective remote training over the Web to representatives at their desks. It selected the tool for its ease of use and flat-rate pricing structure, which features sessions accommodating up to 25 participants for a single price. In turn, each consultant uses GoToMeeting Corporate from their homes to train thousands of customers in school districts.

“Our trainers now have few travel expenses. Our department is saving unbelievable amounts of money with GoToMeeting Corporate,” explains a Pearson Digital Learning executive.

Legal Services National Technology Assistance Project (LSNTAP)
This virtual nonprofit organization without a physical headquarters helps 80 legal aid programs across the U.S. improve client services through innovative use of technology. These programs provide free legal services to millions of low-income and disabled people.

Challenge: Improve ease and simplicity of remote technical training

LSNTAP delivers a range of technology training to help legal aid programs increase their efficiency and optimize resources. With limited staff and budget to carry out its broad mission, it needed simple and
cost-effective Web-based tools for training and collaboration with widely distributed staff and volunteers.

**Solution: Online meeting and Webinar software**

LSNTAP implemented Citrix GoToMeeting and GoToWebinar in early 2007 to fulfill its training and meeting needs. “Remote training, meetings and collaboration save our organizations tens of thousands every year in travel expenses and lost productivity,” says LSNTAP’s executive director. That includes hard cost savings in physical overhead and monthly in-person staff meetings of $85,000 annually. “But the more important impact is our ability to provide our national training platform to legal aid programs – our core mission. These national trainings, which would be cost-prohibitive to conduct in person, have an impact that cannot be measured in dollars alone,” she says.

For example, the Georgia Legal Services Program recently conducted 47 sessions to train 37 advocates from 15 different offices on their new case management software. By replacing on-site training with Web conferencing, it saved an estimated $23,000 in lost time alone, not including travel expenses.

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**About Training Industry, Inc.**

*Training Industry, Inc. is an objective and trusted expert on the marketplace for learning. Its mission is to make the marketplace more efficient through the world’s largest online community of training communities and through services such as Training Industry Conferences, Training Industry Quarterly Ezine, Training Industry Webinars, and Training Industry Research. Through these channels, Training Industry, Inc. provides news, articles, strategies, practices, and processes. For more information, go to [www.trainingindustry.com](http://www.trainingindustry.com).*

**About Citrix Online**

*Citrix Online, a division of Citrix Systems, Inc., is a leading provider of easy-to-use, on-demand applications for Web conferencing and collaboration. Its award-winning services include GoToMeeting Corporate, a complete collaboration solution that satisfies all Web conferencing needs ranging from large Webinars to small online meetings. For a free evaluation of GoToMeeting Corporate, please visit [www.gotomeeting.com/corp](http://www.gotomeeting.com/corp).*
References


