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Questions Senior Executives Ask About eLearning Specifics

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EXECUTIVE SUMMARY

Executives today know that business depends on well-skilled and knowledgeable employees who make the right decisions, work effectively and efficiently, and keep their skills up-to-date. Especially in today's economy, executives want to make successful financial investments when deciding what methods to use to keep staff well trained. Therefore, they demand to know the data and case studies that support new learning approaches like eLearning. This document addresses five key questions that senior executives ask about eLearning benefits and challenges.

FIVE KEY QUESTIONS EXECUTIVES ASK ABOUT eLEARNING

1. What are the typical eLearning benefits that generate a positive ROI?
2. How successful has eLearning been in practice?
3. What are the key obstacles to greater success with eLearning?
4. What instructional content is most successful and least successful online?
5. What are the recommended strategies for embedding learning into an organization's culture?

INTEREST IN eLEARNING PERMEATES ALL ORGANIZATIONAL LEVELS

Done effectively, eLearning can affect all parts of an organization including employees, partners, resellers, and even customers. Yet too often eLearning programs fail to reach their full potential. To succeed, content must be thoughtfully planned and aligned with company goals and employee work flow. And creative staff must engage all lines of business (LOBs) in creating a formal and informal learning and working environment. Strong executive support is critical. Thus, information and knowledge management (I&KM) pros must prepare to answer the following questions.

1. What Are The Typical eLearning Benefits That Generate A Positive ROI?

Organizations that implement eLearning can expect several benefits that help drive business forward because of knowledgeable and well-skilled workers.¹

- **Workers reach competency faster, leading to greater productivity.** eLearning allows learners to assimilate content at their own speed. If they understand material, they can skim; if it's new material, they can spend time on the unfamiliar content. In the classroom, instruction moves at

the will of the instructor, who gears the class pace to meet needs of the majority of learners, not the needs of individual learners.

- **Workers can engage in learning anytime, anywhere, and from any location.** Learners control when and where they want to do their learning. Some choose to learn from home while others take a “learning break” during the workday or access learning from their mobile devices as they travel. This freedom to learn based on personal preference makes for happier, more engaged employees who find it easier to stay up-to-date on their knowledge and skills.
- **Consistency of eLearning delivers uniform content to all learners.** Consistently delivered learning content lets companies better measure the effectiveness of learning programs across a broader set of employees. No matter where the learners are located, they receive the same content, eliminating content variance that is often present with instructor-led learning.
- **Travel savings are significant.** eLearning eliminates a significant amount of air and auto travel and even travel among floors or business locations. Many companies realize the cost benefits of reduced travel in the first two years of eLearning implementation and then focus more on the business improvement benefits.

2. How Successful Has eLearning Been In Practice?

eLearning has become an expected approach for an estimated 40% to 60% of formal learning content in organizations today. Here are some successes:

- **Insurance company saved \$1 million and met its compliance deadline.** An insurance company needed content consistency in its compliance training, a fast method to report results, and 2,140 employees certified as compliant in two months. Three courses were repurposed from classroom to online instruction. HR, IT, and the help desk provided employee support and worked jointly with the training group. The results were a 99% employee completion rate and 3.5 hours in time savings per employee. These time savings, along with savings in travel costs, instructor salaries, facilities rentals, and materials, amounted to \$1 million.
- **Ten percent increase in real estate agents’ commissions and transactions.** A real estate franchiser needed a cost-effective way to train agents. Classroom training was not reaching all of its agents and couldn’t scale. The franchiser chose the virtual classroom approach, because interaction among learners and instructors was essential. About 80% of training was moved online. In a six-month controlled study of online learners and traditional classroom learners, online learners’ commission and transaction rates increased more than 10% over the traditional classroom learners’ rates. The franchiser estimated a \$35 million impact on bottom line.

- **Sports manufacturer's POS training for sales agents increased sell-through 4% to 6%.** A large sports products manufacturer chose eLearning to train sales associates for seasonal product launches.² Classroom instruction couldn't meet the need, especially with the high sales associate turnover. The solution was short, engaging 10-minute learning content modules accessed from the point-of-sale (POS). Each sales associate took training developed for the products they were assigned to sell and put learning into practice immediately with customers. Results showed a 4% to 6% increase in sell-through for stores with this learning program.

3. What Are The Key Obstacles To Greater Success With eLearning?

Without significant company commitment and a strong learning plan, organizations run into the following obstacles.

- **Lack of management support makes learning something to do if there's time.** Excellent learning plans fizzle if executives and management don't support them.³ This means providing support for eLearning development, encouraging eLearning use throughout the lines of business, and insisting that internal marketing work with the learning department to promote the importance of learning to organizational success. Managers must also make ample time for their employees to complete learning courses.
- **Poor content drives learners away, some never to return.** Reading learning content does not equate with eLearning. Translating a workbook into an online reading experience without considering the differences in delivery mode is boring and drives learners away from eLearning. Content must be repurposed using appropriate production techniques to engage the learner. If a sales manager needs to explain the five key features of a new product, a PowerPoint presentation may work. Other content may require animation or even simulations to communicate the message.
- **Weak technology usability de-motivates learning participants.** The learning management system (LMS) interface, the virtual classroom, and the content modules must be intuitive, easy to use, and require little if any training of the end user.⁴ Involve IT in technology selection to ensure an appropriate fit with the company's infrastructure. Users must understand the importance of self-motivation for online learning success and receive suggestions on ways to become successful eLearners. eLearning completion rates without these components may be lower than classroom training rates.
- **Organizations do not look beyond the course paradigm.** eLearning courses exist for most job-relevant technical and soft skills. The proliferation of these courses has led many decision-makers to believe that eLearning is all about self-paced courses. But informal learning through discussion boards, communities of practice, blogs, wikis,

employee performance support systems (EPSS), social networks, and so on, is actually the predominant way people learn in the corporate world.⁵ Executives must understand this broader definition for corporate learning.

- **Integrated learning and performance applications are the exception.** Organizations want to train and retain their employees. The performance management application assists in onboarding new employees, setting goals, and assessing performance against goals. The LMS application provides training for improvement and growth toward these performance goals. Seamless, integrated performance and learning applications ensure that employee training is appropriate and timely. This integration does not exist in many corporations.⁶

4. What Instructional Content Is Most And Least Successful Online?

Organizations must analyze the learning goals, the learning content, and the learners to determine what content to present online, what content to have as classroom instruction, and what content to use in a blended format. The following content garners successful results using eLearning:

- **IT and desktop applications are the most common courses.** IT is an obvious market for eLearning courses because the learners are savvy computer users. eLearning also provides the IT professional with continuous learning opportunities in a rapidly changing field. Desktop computer skills required for applications like MS Office suite are another natural for self-paced eLearning.
- **Certification and compliance courses are very popular online content.** Online compliance training like HIPAA, Sarbanes-Oxley, sexual harassment, and industry-specific compliance and certification courses enable organizations to train employees across distances, cost effectively, and in shorter time. An automatic audit trail on each learner enables the company to show compliance.
- **Job-specific training often has online components.** Many of these courses have company-produced content as well as off-the-shelf content that relate specifically to jobs like project managers, insurance adjusters, call center personnel, and so on. These eLearning courses are often part of a blended curriculum that also includes some classroom learning, virtual classroom, or informal learning.
- **Business skills are a growing eLearning content area.** These soft skills courses are in areas like business strategy and operations, management and leadership, sales, and so on. Many use role play and simulations to put the learner in a “real situation,” challenge them to make the best decisions, and then give them feedback on their online choices and decisions.
- **Onboarding uses eLearning to help new employees understand the company.** General information, policies and procedures, and company resources are good candidates for

eLearning. This online learning frees-up the face-to-face onboarding activities to focus more on meeting people, understanding the culture, and so on.

Make sure you provide face-to-face instruction for content that won't work well online.

- **Some soft business skill learning is better in a classroom setting.** Learning negotiation skills, practicing group facilitation, and discussing diversity issues are three examples when face-to-face instruction is the preferred modality. Facial expressions and body language are important components of the learning experience.
- **Creating personal and team trust occurs best face-to-face.** Once people meet face to face, they often develop a special connection that facilitates future learning, especially when the learning involves teamwork. Participants have a closer affinity to work together virtually when they have some emotional ties to their team.

5. What Are The Recommended Strategies For Embedding Learning In An Organization's Culture?

Organizations today understand the company benefits of keeping employees well skilled and knowledgeable about the business.⁷ The most effective organizational training integrates learning and work by implementing some of the following strategies.

- **Align learning goals to company goals.** The learning director must know about new initiatives and future plans from the organization's management team. This allows the learning staff to map training goals to those of the company and create learning activities that prepare employees for these new initiatives. Learning activities are created along with the initiative rather than as an add-on when the initiative is about to launch.
- **Ensure that training people become known throughout the organization.** A new training role for learning staff is consulting with lines of business on specific training needs. The learning consultants provide content development assistance and become aware of the needs for the organization as a whole that can be rolled up into a corporate training proposal. These activities also elevate the importance of learning in the organization.
- **Make learning content easily accessible.** A learning portal on the home page lets learners reach the learning they need with one click. A personalized learning page, a well-organized course content catalog, tagged content, and a good search engine contribute to success. Accessible material includes course content within the LMS and informal learning content (documents, slides, videos) that reside elsewhere on the intranet.
- **Train for continuous improvement.** Learning never ends. Employees need opportunities to continually improve their job skills, learn new skills, and even develop competencies in

personal areas of interest like public speaking or finding life balance. They need access to professional growth opportunities that could lead to new job opportunities. The learning portal becomes a valued resource when it is systemic within the organization.

ENDNOTES

- ¹ Online learning earns companies a 69% return on investment (ROI) in less than a year. If you have a business that is spread across many locations, it makes good business sense to implement an online learning program as a replacement for some face-to-face learning and as a complement to other instructor-led training. See the April 13, 2009, “[The ROI of eLearning](#)” report.
- ² This report describes the informal learning approaches of BT (formerly British Telecom), Intel, and Nike, and describes how these innovative firms have made informal learning part of their learning programs. See the April 22, 2009, “[Get Serious About Informal Learning](#)” report.
- ³ Today’s learning executive must combine leadership, communication, business acumen, and innovation with learning expertise to drive higher performance and create strong business results. See the April 10, 2007, “[Learning Director: Are You Ready For Your New Role?](#)” report.
- ⁴ Forrester evaluated 12 learning management system (LMS) vendors using 90 evaluation criteria. For the results, see the February 12, 2008, “[The Forrester Wave™: Enterprise Learning Management Suites, Q1 2008](#)” report.
- ⁵ There is a new employee learning paradigm. The formal course with multiple lessons is still around and will always have a place in the learning hierarchy, but informal learning with “knowledge on-the-go” is already here — and it’s getting stronger. See the November 12, 2008, “[Informal Methods Challenge Corporate Learning](#)” report. Also see the August 13, 2007, “[Informal Learning Connects With Corporate Training Programs](#)” report.
- ⁶ In today’s hypercompetitive environment for attracting and retaining talented employees, business process owners must have the ability to seamlessly assess employee competencies and job performance and then give employees learning experiences that will increase their job performance. See the March 30, 2007, “[Learning And Talent Management Join Forces](#)” report.
- ⁷ Training departments in companies of all sizes are revamping their training and learning programs. Why? Learning organizations must develop employee-centric, business-driven learning strategies that guide the successful deployment of learning that is more contextual and more relevant to employees’ work. See the May 6, 2008, “[How To Create A Comprehensive, High-Impact Learning Strategy](#)” report.