

5 Tips for Beating the Credit Crunch with E-Learning

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Brief Description	This white paper has been written to help ascertain the case for implementing e-learning within your organisation, and to give you tips and tricks to implement it well.

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Table of Contents

Who is this White Paper for?.....	1
2009: A year of change.....	1
E-learning for what and how?	2
Tip 1: Get approval.....	3
First, sell the idea	3
Second, find a project	4
Tip 2: Go beyond 'the course'	4
Tip 3: Save yourself time.....	5
Tip 4: Show value.....	5
Tip 5: Select your weapons.....	6
Efficiency.....	6
Accessibility.....	6
Simplicity	7
Conclusion	7
About Kaplan IT Learning, STT Trainer and STT InfoShare	8

Who is this White Paper for?

This white paper is written for anyone who is:

- Facing cut backs to their training budget
- Looking for more effective delivery than classroom training
- Aiming to prove that the training department can still deliver in a downturn

Organisational training will change dramatically in 2009. This paper will help you survive and flourish in these challenging times.

2009: A year of change

In 2009, the training department will be under an intense pressure not seen for many years. With training still seen as a cost, not an investment, there will be strong temptation for management to make quick cuts.

Those in Learning and Development (L&D) know that such short term measures will damage the organisation in the long term – that skills development cannot be sacrificed today without impacting tomorrow's effectiveness. L&D professionals also know that cutting training has a negative effect on productivity and performance – exactly what organisations need to avoid in these difficult economic times.

Cutting training of any type in the short term means:

- A cut back in productivity as workers turn to each other for assistance
- Loss of critical knowledge when key individuals leave the organisation
- Reduced workforce motivation

In contrast, supplying training means:

- Reduced help desk call volumes
- Fewer interruptions for co-workers
- Greater productivity

In the current economic climate, these benefits should be even more attractive than during regular trading conditions. Demands for reduced costs, however, may still be seen as more important and it is essential to take charge of the situation by showing that L&D can provide the benefits of training cost-effectively.

The message from L&D must be clear: cut costs, but do not cut training.

In difficult economic circumstances, however, 'training' is often seen as synonymous with 'classroom training', one of the most expensive methods of delivery. The costs associated with classroom training include:

- Direct costs, including the cost of trainers, classrooms and materials
- Indirect costs, including the travel expenses and training time of delegate
- Direct and indirect costs of time and money spent on maintaining classrooms training systems

This final point is one often overlooked – particularly when the classroom is used for training delegates in the use of organisational IT systems. Any test systems which delegates are trained on must be isolated from the organisation's actual systems, but mirror them exactly. This means that any updates applied to the live system must also be applied to the classroom 'sandbox' system, and representative test data created and maintained. In addition, after training routines must be created, updated and tested to reset these 'sandbox' systems back to their original states, ready for the next day.

Maintaining training while cutting costs requires the introduction of a different delivery mechanism - such as e-learning - either to supplement the classroom or to replace it completely.

As well as eliminating many of the direct and indirect costs of training, e-learning can erase the costs of maintaining classroom IT training systems. Rather than incurring the costs of building and maintaining 'sandbox' systems and dummy data for the classroom, with the right tools it is possible to simulate the actual systems that employees will use, without exposing them to the live system. This provides a vast saving of an often hidden and unexpected cost.

E-learning reduces training delivery costs, but that is not the sole reason for introducing it. Deployed correctly, e-learning can be supplementary or even superior to classroom training in many instances. In particular, e-learning enables:

- Faster reach to geographically dispersed workforces
- Rapid development and deployment of materials
- Comprehensive tracking where required – e.g. for compliance training
- The introduction of learning into the daily flow of work

An additional important consideration is that the current downturn will not last forever. Organisations that cut back radically on classroom training now but invest in nothing to replace it with will find themselves unable to respond when the economy picks up. In contrast, those that have a bank of e-learning materials ready to draw on will be able to get new starters up to speed faster than their competitors.

In short, using e-learning successfully means putting your training budget to work more effectively than ever before.

E-learning for what and how?

E-learning deployed like this has nothing to do with using the latest technology fads – for example with using virtual worlds just for the sake of it, or mobile learning because everyone is talking about it. It is about supporting your organisation using the most appropriate methods. E-learning deployed well is entirely about what the senior team in your organisations cares about: optimal performance.

When faced with demands for reduced training from high level management, focus on those areas where reductions will have an immediate negative effect for the biggest impact:

Area of Training	Effect of Cutting	E-learning Alternative
Compliance	Organisations need to train to compliance standards and prove they have done so. The effects will differ between industries, but may well include substantial fines.	The training has to be delivered – so do it more cost effectively and efficiently with e-learning, which should also enable automatic tracking of attendance and (where relevant) performance in tests.
Induction training	New employees become productive faster with the right induction training. Failure to train will result in reduced productivity and will also impact the performance of colleagues as they provide informal support.	Replace most classroom induction training with an e-learning package that provides the content learners need, spaced out over time to enable better learning and recall.
Ongoing training	Poor use of in-house systems has a triple effect on productivity: 1) Employees take longer to accomplish tasks 2) They make mistakes which other employees have to find and correct 3) They interrupt other employees for guidance – often resulting in the spread of poor practice	Replace costly, ineffective training with a form of Electronic Performance Support System (EPSS) which guides users through systems functionality and approved practice.

Concentrate on performance and cost and you can strengthen the argument for keeping most of your training budget, and using it more effectively with e-learning. But how will you deploy it? Demands for costly, time-consuming implementations of large software packages are unlikely to be signed off quickly in the current economic situation, so while you can buy a large-scale LMS if you want to, the alternative is to begin with a smaller scale deployment that enables you to show impact rapidly.

Kaplan IT learning's five tips for beating the current downturn using e-learning are:

- Get approval
- Go beyond 'the course'
- Save yourself time
- Show value
- Select your tools

Tip 1: Get approval

First, sell the idea

The reaction to cutting the cost of training is instinctive in executives when times are hard. The most effective argument to adopt in response is this: *you can't eliminate training without affecting business, but you can cut some training costs and still be effective.* Sell the idea, in other words, that it is possible to maintain quality at a lower cost. When doing this do not talk about e-learning. Instead, focus on performance and cost.

By making it clear that you are taking the lead on this, you will alter the perception of the training department. To maintain that new, positive perception, produce a short 'skills strategy' document of no more than 5 pages that outlines key areas of training – as in the table above – and your new approach to dealing with them in your organisation.

Second, find a project

In straitened economic circumstances, decisions tend to be made rapidly, so you will need to prove the viability of e-learning within your organisation as quickly as possible. If you can, find a project which will clearly benefit from training. It could be something new such as the introduction of a new internal system, or an ongoing project such as induction training.

By working closely with this project you can establish e-learning's effectiveness. You can also do several other important things:

- Win an advocate who will support an e-learning approach
- Raise the training department's profile
- Embed learning much more closely into the daily workflow

This last point is crucial. Because e-learning is not (like the classroom) restricted to a particular space and time, it can put learning squarely into the workplace, making it more effective and your department more visible.

One note of caution here: when considering the tools to support your project, take the long view. Never purchase training with just one project in mind. Whatever tools you decide on, they must be flexible enough to deal with projects of different types and conditions. For example, if you are simulating the use of internal IT systems, the tool must be able to deal with a variety of applications at no extra cost, and when producing content you will want to be able to choose between using single authors, or multiple authors working in collaboration.

Tip 2: Go beyond 'the course'

The idea that training has to come in courses is a product of the classroom training model. Classrooms are most cost effective when you fill them with people for substantial chunks of time – a course. With e-learning, that requirement has gone, and with it the need for training to be of any type of material, and of any particular length.

The result is a trend towards smaller chunks of training. Increasingly, training material is being delivered not in days, but in small bite sized pieces measured in minutes. Short, focused, and perfect for doing at the desk.

This means that while the classroom still needs to be used where it works best – for face-to-face role plays, for example – e-learning can be used to distribute training materials out to where they are needed most, and where they can have the greatest impact on performance.

In producing your e-learning content, do not feel the need to design content that takes a certain amount of time to complete. Be led instead, by the performance goal. Each is different. One could be met by a one-minute video, another by a lengthy written document combined with an online exercise and then a test.

The clearest way to support performance in the workplace is by using an Electronic Performance Support System (EPSS). Such a system should provide immediate, live help to employees working on in-house systems and procedures – whether that is how to use Microsoft Office to raise an invoice, or how to use the organisational ERP system. People learn best when their learning tackles an immediate problem – and that is exactly what an EPSS provides. The performance benefit is working more productively and accurately.

Tip 3: Save yourself time

Your organisation's managers care less about how effective the training department is internally, and more about the results – faster provision of learning focused on productivity. Your immediate managers will be interested, too, in any changes that make the department more cost-effective and efficient.

How do you make the department more effective? Not least by ensuring that the daily work of learning content production is *one* area of work, not the main focus. One important part of this is to ensure that any content produced can be re-used in several ways, without generating an administrative load, and using tools that are familiar and easily used.

For example, in developing an e-learning course to support the use of your internal systems, an ideal situation may be based on the following process:

1. Create screen captures of internal system using familiar tools, add annotation either with voice or through written words
2. Generate documentation for learning from these notes automatically from the same capture
3. Generate multiple outputs from this content:
 - a. 'Demo' clips to guide users through the task
 - b. Lessons with instruction for e-learning delivery
 - c. Tests with results automatically mailed to manager
 - d. Documentation in HTML, Microsoft Word or PDF format
4. Make the content available as both e-learning and as a support system (EPSS)

By using your tools to take part of the workload of generating e-learning content, you free up training department staff to add value elsewhere – and to raise the department's visibility.

Tip 4: Show value

There is one activity that is at least as important to the training department as creating learning content: providing managers with reports and statistics.

In the short term, this will involve a time commitment as you work with managers to understand the key performance indicators (KPIs) your learning delivery needs to affect. For a regular office employee, this could mean getting through a certain amount of work faster each day – raising invoices, processing forms, or selling. Surveying both managers and employees before and after training to estimate their increased efficiency is a simple way to understand its effect. Make sure that you survey directly after training and some time afterwards – perhaps three months later. Initially, you will have to rely on the immediate post-training surveys for your supporting data.

Once you have established that training is having an impact on the KPIs that managers care about, be sure to keep them regularly informed with summary reports on learning activity in

their teams. Again, in the interests of internal efficiency, make sure that you are working with tools which enable you to generate the reports you need automatically.

Reports that you will want to consider making available to your managers include:

- Training activity reports: who has finished which learning modules?
- Test reports: who has finished tests, and to which level?

Rather than sending them these reports ad hoc as e-mail attachments, you may prefer to let the managers look at the data anytime they wish, using an administrative interface, and to send out a regular two-weekly e-mail reminder.

Tip 5: Select your weapons

Time is critical in a downturn and every part of an organisation must aim to deliver an impact as quickly as possible. That is as true for the training department as for any other, if not more so. Training is often seen to be only a cost and is the first in line for cuts.

To help you deliver an impact as quickly as possible, technology is essential. Without it you will not be able to reach your organisational learning goals rapidly enough. But that does not require investing in a welter of different technologies that will take time to integrate and understand. Instead, look for tools that enable you to develop and deploy learning effectively, without absorbing all your time in administration.

Whatever tools you select, ensure that they obey the rules of:

- Efficiency
- Accessibility
- Simplicity

Efficiency

As noted above, during a downturn, the training department must be focused on delivery of performance gains, not on production of learning materials. To enable this, demand that your e-learning tools are as efficient as possible. They should:

- Enable you to create content once and reuse it many times
- Generate associated documentation with minimal effort
- Produce content for multiple outputs – including EPSS

Accessibility

For the training department to succeed, it is crucial to raise its profile. This cannot be done by keeping all information on training under lock and key. Instead, allow managers access to the information on their staffs' training. They do not need access to everything – giving them rights to high-level reports is enough. This not only reduces your workload in mailing out reports, it also increases the department's interaction with other managers and raises its visibility.

Simplicity

With the time constraints of rapid action forced on us by the downturn, any e-learning technology must, above all, be simple to deploy and use.

Simplicity of deployment means that any system you select must be able to do enough 'out of the box' to be useful immediately. You can ask for modifications later, but immediate impact is essential. To ensure that your e-learning can reach all learners, no matter where they are, it should ideally also be a web-based tool.

Your tool should also be straightforward and intuitive to use – in both its interface and its internal processes. If it requires a substantial amount of training for the training department to use, it may require too much up front investment of your time to generate the effect you need rapidly enough.

Finally, ensure that any e-learning tool you purchase comes with the right type and level of support. Any reasonably complex system will require some training or mentoring to ensure you get the best use out of it. The important thing to remember is that this skills transfer is delivered in the right way to get you up to self-sufficiency as quickly as possible – both in terms of your administration of the system, and the content you produce with it. In contrast, you will not want a system which ties you to a central pool of consultants for every minor change you wish to make.

Conclusion

During times of financial difficulty many companies will be forced to find ways of reducing their bottom line. Often training is the first thing to be cut, but it should be perceived as a vital asset to any successful company, especially for those that want to flourish during a recession. The value of training should be clear and it should be seen as a long term investment, as opposed to a cost.

There are ways of reducing the cost of training rather than eliminating it, and e-learning should be considered as an effective option with measurable results.

It is important to spend time selecting the right tools for your training project and to be able to justify the value and long term ROI that can be gained from using e-learning..

About Kaplan IT Learning, STT Trainer and STT InfoShare

Kaplan IT Learning is an international organisation dedicated to providing education, skills, learning services and software to help organisations train on technology.

The company's e-learning products include STT Trainer and STT InfoShare.

[STT Trainer](#)

STT Trainer is an authoring tool that allows you to transfer knowledge with creative and dynamic learning formats such as software simulations and interactive multimedia lessons. Training can be delivered in instructor-led classes, as pure e-learning, or in blended learning models.

[STT InfoShare](#)

STT InfoShare is an advanced deployment solution that integrates seamlessly with STT Trainer to provide learners with training content according to their role in the organisation, and managers with detailed web-based reports on training effectiveness and progress.