

e-Learning is Increasing Sales & Improving Business Performance @ Boots



Introduction

Winner of the silver award in the e-learning Awards for 2009, this case study explores how Boots UK overcame some enormous challenges in adopting e-learning throughout the organisation, and the many benefits that this new approach to learning has brought.

In the 11 months since launch in September 2008, the use of e-Learning has soared to 71% of their population of approx 65,000 employees with 228,380 e-learning modules now completed which is an average of 3.5 per store employee.

“eLearning is universally loved by our people in stores.”

Alex Gourlay, Chief Executive of the Health and Beauty Division, Alliance Boots

Background

Boots UK is a member of Alliance Boots – a leading international pharmacy-led health and beauty group which was formed by the merger of Alliance UniChem Plc and Boots Group PLC in July 2006.

Boots UK has around 2,600 stores and approximately 65,000 employees. Boots has a history stretching back 160 years and is a familiar sight on Britain's high streets. Nearly all stores have a pharmacy and focus on healthcare, personal care and cosmetic products, with most stores selling over the counter medicines. Their own product brands, such as No7, Soltan, Botanics and 17 are a common sight in all stores.

Alliance Pharmacy or 'your local Boots pharmacy' stores are typically smaller shops focusing mainly on dispensing prescriptions, selling healthcare products and providing medical advice. These smaller stores tend to be closer to GP surgeries or located on housing estates and are more suited to the needs of the local community.

There are four main store formats with a huge diversity in the size and location of stores.

- Flagship: Largest stores with the widest range of products and services, big on beauty. Typically with 300-400 employees
- Health and Beauty: Edge of town, convenience and high-street stores. Typically with 50-150 employees
- Local pharmacy: Healthcare focused community stores. Work closely with Primary Care Trusts. Typically with 5-20 employees
- Airport: For travelling customers' last minute needs. Typically less than 50 employees

Employees range from school leavers to those past retirement age so exposure to computers is varied. The majority of employees are female with a large percentage working part time.

All activities are driven by the Boots' values:

- Partnership - Includes respect, understanding and working together.
- Trust - The essence of the way they do business; delivering on their promises
- Service - With high standards of care and service, for their customers and their people.
- Entrepreneurship - Innovators, seeking new challenges and having a winning spirit.
- Simplicity – Being lean and efficient, uncomplicated and easy to do business with an opportunity to become the "world's best pharmacy-led health and beauty retailer"

To achieve their key goals Boots UK need knowledgeable, skilful and highly motivated employees where *"Everyone knows what they need to do to improve and has ready access to the training and development to help them do their job better."*

The challenges they faced were considerable when you consider:

- Over 2,600 stores and around 65,000 employees, with many varying work patterns
- Training needed to be:
 - Consistent, sustainable and quickly deployable
 - Delivered efficiently to maximize customer facing time
 - Of high quality but delivered at low cost

- Increased demand from the business to demonstrate return on Learning and Development (L&D) investment
- The employee engagement survey indicated that training was consistently falling short of employee's expectations

A New Approach

It was evident Boots needed a new approach to L&D and to meet these challenges, Boots decided to invest in an e-Learning infrastructure that would allow stores to access online training content.

At the heart of the infrastructure, a Learning Management System (LMS) would provide easy access to content that could be tracked. Alongside this would be a portfolio of new e-Learning modules. This would reduce learning time and increase the speed of delivery with high volumes of learners able to access content quickly.

The aim was to achieve a step change in the effectiveness and efficiency of the training delivered. From the start Senior Management supported the project; and to prove the concept a pilot was run. The results were impressive, with the pilot stores performing better against both people and business measures. This helped secure the funding to begin a full-scale rollout.

Overcoming Resistance & Obstacles

The pilot gave the opportunity to investigate a number of potential obstacles:

- **Technology:** Would the e-Learning operate efficiently and be able to provide a stimulating and effective learning experience?
- **Accessibility:** Would there be enough PCs in stores? Would the learning environment be suitable? Would store employees have the time to do e-Learning?
- **Cultural:** How would learners react to using e-Learning? 20% of the workforce are over 50 with limited exposure to e-Learning and might prefer other forms of training.

How did Boots address these obstacles and overcome potential resistance?

Technology - Boots IT were identified as key stakeholders and L&D worked closely with them on:

- **Bandwidth:** A wide range of store formats in diverse locations means there is a wide range of bandwidth, the baseline being as low as 96k. Content would need to be built within strict guidelines. Testing established the best output format – Adobe Flash. This offered media rich content to engage learners whilst still performing well over the network.
- **Firewall:** The decision to externally host meant the site needed IT approval to allow access through the firewall.

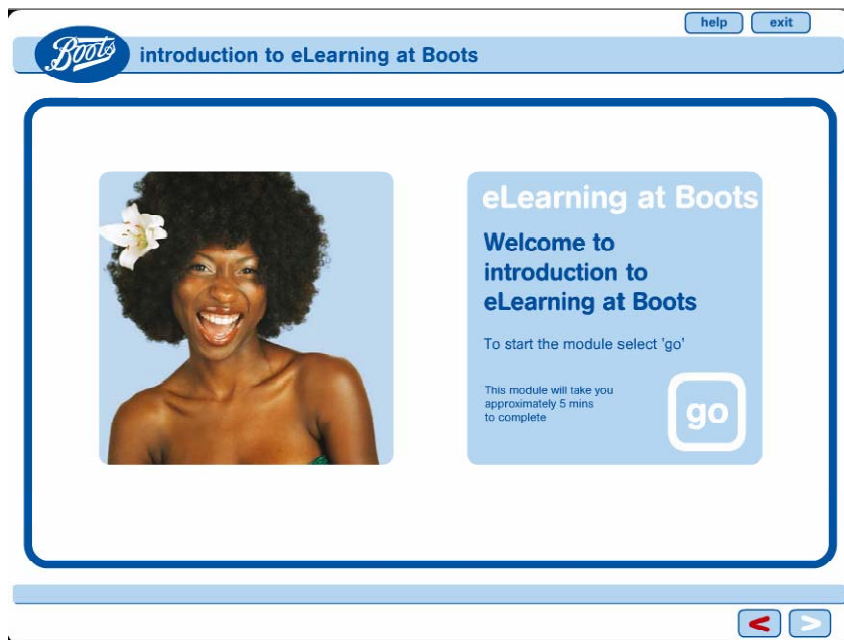
- **Procurement:** Boots IT worked with L&D to issue clear guidelines for potential vendors as part of the procurement process and as part of final selection.

Accessibility - L&D needed to consider availability of PCs in store, the quality of the learning environment and the time users have to complete training:

- **PC Availability:** They established that all stores had at least one PC for e-Learning but they funded an additional 100 PCs for stores where they identified that access would be a particular problem.
- **Learning Environment:** An analysis showed that PCs were often located in areas not conducive for learning e.g. canteens and shared areas and feedback from Managers also revealed concerns about workloads distracting from learning. The solution was to externally host and enable access from home should employees choose to use this option, and they also provided headphones to help users become immersed in the training without distracting others.
- **Time:** Modules are designed to last between 20-30 minutes, respecting the time employees have for training each week.

Cultural - With around 20% of the workforce over 50 and with limited exposure to e-Learning, analysis indicated that some would require additional support. At Boots they strive to keep things 'simple for stores' so they used the following approach to make e-Learning easy to use:

- **User Interface:** They customised the LMS and made it user friendly working with Boots graphic designers to ensure a corporate look and feel.
- **Content:** Content was designed in conjunction with subject matter experts who advised on brand look and feel and usability e.g.
 - Simple user interface – on the first screen a large button informed the user to click 'Go' to start. Users responded well to this and it gave them confidence to move on.
 - The interface reflected the stores environment to make users feel at home. The forward and backward buttons are modelled on the arrows that appear on store navigation signage.



- They developed a number of short **'How To'** modules and **'An Introduction to e-Learning'** module. The latter explained the terms used in the instructions, such as 'hotspot' and 'drag and drop', and included an exercise in using the mouse. They also developed content to cover a diverse range of subjects and focused on areas where stores had said they needed more support e.g. product knowledge so they developed a suite of modules that had something for everyone.

- **Helpdesk:** They established a dedicated e-Learning helpdesk accessed via telephone or email to help with user queries. This was promoted via the launch pack and features on all pages within the LMS.

Communications Strategy

Their communication strategy needed to be visible, hands-on and face-to-face to get buy-in from all level of the stores population. It was divided into 3 phases:

1. Pre Launch - A senior member of the HR Leadership Team championed the project from the beginning and commitment at a senior level was achieved early on; this secured the backing for the pilot. During the pre launch communications they were able to use the results of the pilot to provide hard evidence that e-Learning would have a positive impact on business performance. L&D engaged the Field HR team, as they are the 'face' of training in stores, and this team were tasked with engaging stores ahead of the launch.

L&D identified '**e-Learning Champions**' in each store. These came from a range of roles - Managers to Administrators - all had a passion for training. L&D engaged with them to address any questions and to set them up for success. They performed tasks such as:

- Cascading the e-Learning communications
- Supporting users by helping them to log-on and making sure they were comfortable with using the modules
- Covering areas of the store while users were completing their e-Learning

This approach helped them deliver the communications in a way that engendered trust with stores receiving key messages from their peers and not a remote 'head office' communication.

To drive a top down approach L&D presented to groups of Store Managers across the country and at internal conferences. E-Learning was also shown as a key part of the HR strategy at the annual Stores Conference and this set the launch up for success.

2. Launch - They developed a brand for e-Learning – '**Log-on and Learn**' which was used extensively in the launch communications. The key component of the launch was '**e-Learning in a Box**'; all stores received one and it contained:

- A launch communication
- Competition entry
- Posters
- Reference guide
- Mouse mat
- Pens
- Post-its



This material was designed to be highly visible in store to raise awareness and interest in e-Learning. The competition element consisted of a quiz about e-Learning that provided an incentive for users to explore the system and L&D offered prizes of 5 laptops to the winners.

3. Post launch - L&D developed a management information pack that they circulated to the Field HR team for onward cascade. This enabled them to focus on stores where usage was low. Initially L&D tracked the numbers of modules being completed however analysis revealed that whilst module completion numbers were high, the percentage of employees completing them was low, at around 25% so they decided to refocus their target to engage those yet to log-on and to sustain usage.

Since April 2009 stores have been targeted on engagement levels and this is reported via their balanced scorecard. Stores thrive on competition; this and the visibility of their performance have had a huge impact. Engagement levels have risen from 25% to 71% in just 4 months. **Further evaluation has established a positive correlation between e-Learning completion and improved business results.** This information is shared alongside the management information and the

commercial focus ensures managers can clearly see the business benefits of adopting e-Learning.

Securing Adoption

Over the last 11 months L&D at Boots have developed an extensive catalogue of e-Learning that is used across all roles within store and usage has grown rapidly.

Their key performance indicator (KPI) for e-Learning in 09/10 is based on engagement – how many employees have completed at least one module within the previous 52 weeks. It is a rolling target to sustain interest. Stores have been targeted as follows:

Q1 – 50%	Q2 – 75%	Q3 – 75%	Q4 – 95%
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At the start of April the figure was c25%; by the end of Q1 it had risen to 66% and it currently stands at 71%. Two out of 3 Divisions have already exceeded their Q2 target with the West reporting the highest engagement levels at 80%.

By the end of March over 100,000 modules had been completed – almost double the target. In the 11 months since launch 228,380 modules have been completed. The level of engagement with e-Learning indicates a very positive response from users. L&D continually seek feedback through store visits, and regularly receive unsolicited feedback. Overall feedback can be grouped as follows:

- **Engaging content** – the design of the modules and the use of interaction, imagery, animation and audio brings the content alive which employees find far more engaging than manuals and paper based content
- **Easy to use** – modules have a very clear interface with straightforward, uncomplicated navigation
- **Relevance** – the modules are directly relevant to the business and have been proven to help improve store performance
- **Accessibility** – employees like the fact that e-Learning is available outside work
- **Reporting** – store managers like the fact that they can run reports locally to track activity in their store
- **Convenience** – modules are typically 20 minutes long and tie into the weekly training time allowance that store employees have built into their activity plans.

Home Counties Regional Manager - *“This is just what we need. Punchy, quick and effective. The e-Learning system is easy to use and access, and has proved ideal for providing our influx of Christmas temps with a base level of knowledge. My only complaint would be that we need more modules. Everyone I’ve spoken to has given positive feedback on what they’ve seen”.*

Sales Assistant - *“Fantastic quality, it really gets it into your head. Because it’s not all reading, with the animation and especially the audio it works so much better than the paper training we normally do”.*

Evidence for Change – Impact & Benefits

This project has been a huge success. To have 71% of employees using e-Learning inside a year of launch far exceeds initial expectations. Top down support was a key factor initially and support remains high. E-Learning is a key element of the HR Strategy with high demand for new modules from across the business.

A number of high profile initiatives are being deployed via e-Learning e.g. the store employee Induction programme. This reflects the confidence that the business has in the infrastructure and its significance as part of the overall L&D strategy. Their learners have taken the term “log on and learn” to heart and it has changed the face of learning in Boots beyond recognition.

It is clear that the approach of placing engagement and communication at the centre of the project was a key determinant of its success. Boots deliberately use the term ‘e-Learning’ indicating the emphasis on learning and not the technology supporting it. The reaction of users and the demonstrable return on investment have ensured that e-Learning is here to stay at Boots. There are clear **business benefits** across a number of key measurements.

Sales performance:

- Cosmetics – the top 10% of stores completing e-learning show a significant increase in sales compared to the average;
- Electrical Beauty – the top 10% of stores completing Electrical Beauty e-learning also show a significant increase in sales compared to the average;
- Travel Insurance – stores completing e-learning show a 100% increase in sales over those that have not;
- There has been a tangible improvement in the sales of vitamins just three weeks after the launch of a vitamin basic module.

Customer Care - in the period Oct 08-Mar 09, the top 10% highest engaged stores show a 3 percentage point increase in their score compared to the average score in that period.

Impact on Great Place to Work Score - When considering the question ‘*I have the training I need to do a great job*’, the top 10% highest engaged stores show a 5 percentage point increase compared to the average score for the question.

Efficiency Savings - e-Learning has been used to support 3 key HR projects:

- Performance Leadership
- Employee Offer

- Recruitment Transformation

Top down support is a key component of this success. A clear, positive, correlation between e-Learning completion and improved business results has ensured widespread adoption across Boots.

Top 10 hints & tips to engage the organisation and deliver results:

1. Don't be constrained by history and past training preferences
2. Respect the diversity of your audience and understand their needs
3. Secure senior management commitment and buy-in
4. Balance high quality with low costs
5. Align learning to key organisation values and goals
6. Undertake a 'pilot' to demonstrate success and identify key obstacles and likely resistance
7. Develop and implement a plan to overcome obstacles and resistance
8. Establish a strong brand and communications strategy for e-learning in the organisation
9. Establish 'e-learning champions' in 'local' stores (locations)
10. Demonstrate value and benefits to the organisation in terms of improved business performance, increased sales, staff satisfaction and customer care.