THE eLEARNING GUILD™

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Showing the Value of e-Learning

ANALYSIS AND COMMENTARY BY PATTI SHANK, PH.D.

Providing instruction across the Internet and other computer networks is a relatively new phenomenon. To some extent, we are just learning how to harness this media for learning, and stakeholders are rightly asking whether our efforts are paying off. Establishing value for any venture is, at its most basic level, about determining what goals are important, selecting measures to show if these goals are achieved, and then measuring and analyzing. This is true for e-Learning, too.

For e-Learning, a variety of stakeholders are trying to establish value. Learners assess whether the instruction is worth their time and effort. Instructors, content experts, trainers, and designers want to know if instruction results in improved knowledge and skills. Administrators and executives commonly raise questions about whether desired outcomes have been achieved and if the resources expended have been well spent. Many want to know if learning transfers to the job.

Too many of us fail to measure or communicate the value of our efforts, which often results in reduced credibility or resources. The overarching objective of the survey, then, was to provide ideas that others could use in showing value for their own efforts, and to nudge those who are not currently doing so (or doing so less effectively) in this direction.
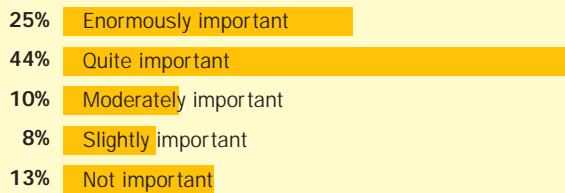
The purpose of this survey specifically was to determine what measures organizations are using to show the value of their e-Learning programs, and how they then communicate their results. We received 48 responses to the survey. (The data pool for this survey was smaller than usual due to the significant time it took to complete the survey.) Since some organizations develop or provide e-Learning for external customers we asked respondents to differentiate answers for external customers (affiliates, suppliers, distributors, purchasers, etc.) and internal customers (staff, managers, etc.). The data should be considered to be a snapshot of the practices in our industry. Below are the questions we asked during October 28 - December 5, the breakdown of answers, and a brief analysis of these answers.
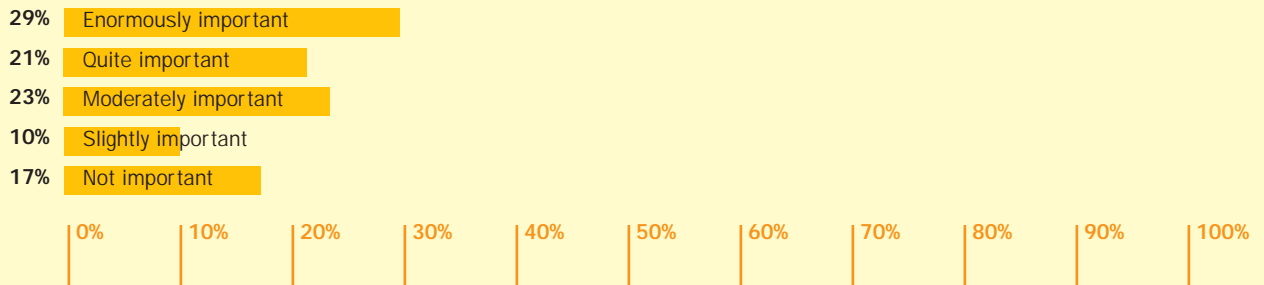
The importance of establishing value

1. How important is it that you establish the value of e-Learning programs in your organization? In others words, to what degree do administrators and executives, or others with power to make decisions about your efforts, place importance on measuring your e-Learning efforts? (Please select one for each customer.)

Internal Customers

25%	Enormously important
44%	Quite important
10%	Moderately important
8%	Slightly important
13%	Not important

External Customers

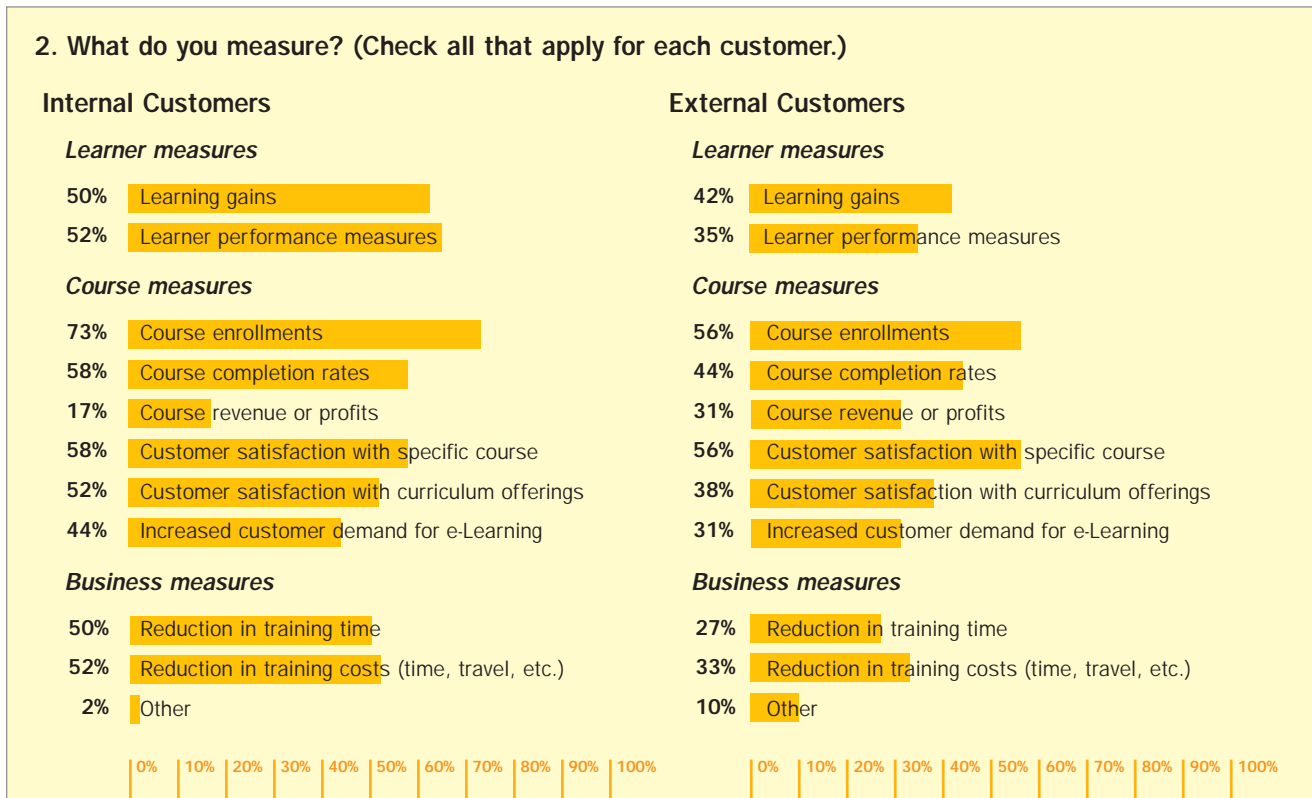|	
29%	Enormously important
21%	Quite important
23%	Moderately important
10%	Slightly important
17%	Not important

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

For both internal and external customers, respondents clearly felt that establishing value was important. But what is interesting to note is that respondents clearly felt that establishing value for internal customers was more important than establishing value for external customers.

One respondent commented that helping her organization select e-Learning projects based on their potential value was a critical part of the process. Since few organizations have unlimited resources, this approach is a wise one.

Ways to measure value

2. What do you measure? (Check all that apply for each customer.)

Internal Customers	External Customers

Internal Customers

Learner measures

- 50% Learning gains
- 52% Learner performance measures

Course measures

- 73% Course enrollments
- 58% Course completion rates
- 17% Course revenue or profits
- 58% Customer satisfaction with specific course
- 52% Customer satisfaction with curriculum offerings
- 44% Increased customer demand for e-Learning

Business measures

- 50% Reduction in training time
- 52% Reduction in training costs (time, travel, etc.)
- 2% Other

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

External Customers

Learner measures

- 42% Learning gains
- 35% Learner performance measures

Course measures

- 56% Course enrollments
- 44% Course completion rates
- 31% Course revenue or profits
- 56% Customer satisfaction with specific course
- 38% Customer satisfaction with curriculum offerings
- 31% Increased customer demand for e-Learning

Business measures

- 27% Reduction in training time
- 33% Reduction in training costs (time, travel, etc.)
- 10% Other

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

For internal customers, the following measures garnered a 50% or better response: learning gains, learner performance, course enrollments, course completion, customer satisfaction with course and curriculum, and reduced training time and costs. These results weren't surprising, but I was gratified to see that some organizations are measuring business measures.

For external customers, the following measures garnered a 50% or better response: course enrollments and customer satisfaction with course. Although business measures for internal customers were important to more than 50% of the respondents, a third or less used business measures for external customers. I would have expected organizations that provide instruction to outside customers to be more concerned with measuring learning gains and learner performance as well as course revenues and many of the business measures, so lack of responses for these measures was unexpected.

One business measure that should have been listed (a respondent pointed out the omission) is compliance reasons. A large percentage of e-Learning is done for compliance and showing compliance is an important reality in these situations.

Data sources for critical measurements

3. For the measures that are most critical to your organization, what data source is used for this information? (Provide data sources for the 3 most critical measures.)

The following data sources were listed by respondents for each of the measures listed.

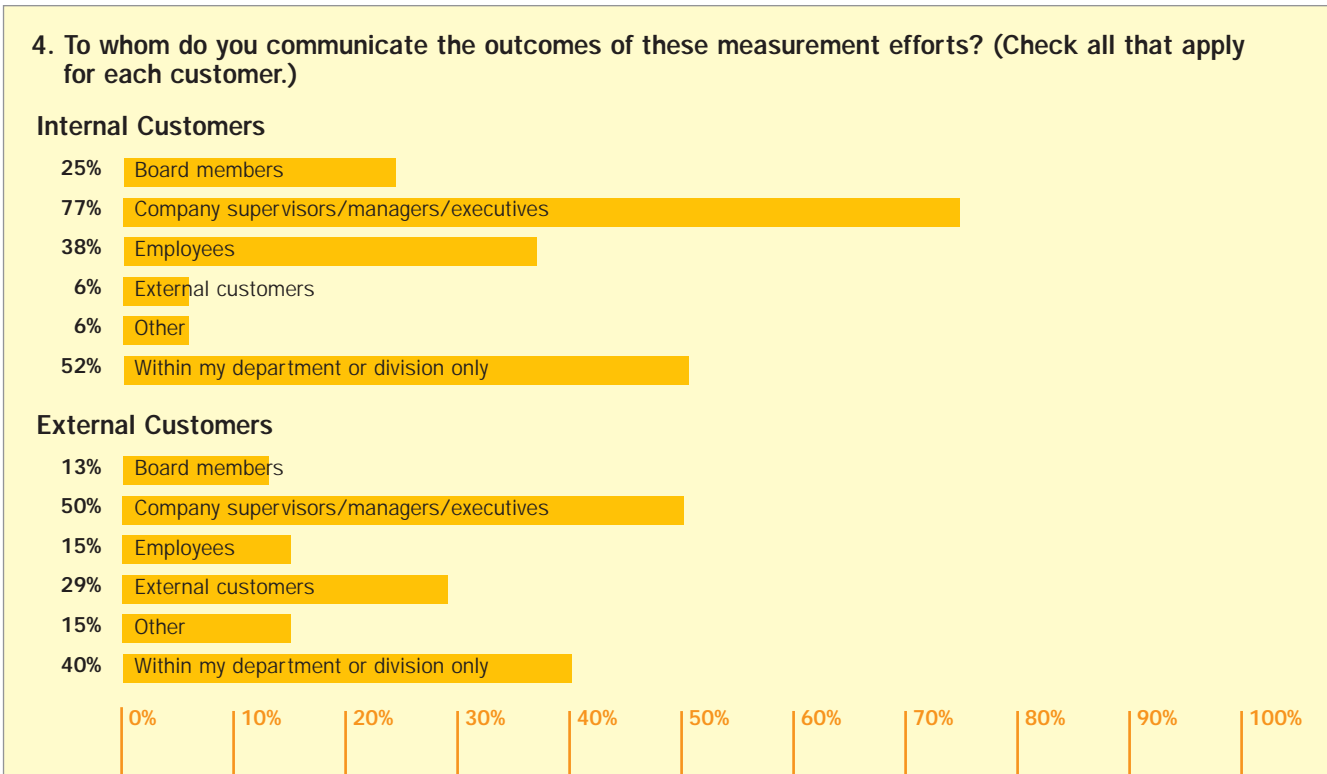| Measures	Data sources listed by respondents
Learner measures	
Learning gains	Tests
Learner performance measures	Quizzes and tests, surveys, performance goals
Course measures	
Course enrollments	LMS or other tracking data
Course completion rates	LMS or other tracking data
Course revenue or profits	Accounting or other budget systems
Customer satisfaction with specific course	Surveys (immediately after and delayed)
Customer satisfaction with curriculum offerings	Correspondence with customers, surveys
Increased customer demand for e-Learning	Feedback, requests to training department
Business measures	
Reduction in training time	LMS statistics, ROI, surveys, comparisons of instructor-led to e-Learning
Reduction in training costs (time, travel, etc.)	Cost measures
Increased customer job satisfaction	Surveys
Customer certifications	Tests, tracking inside courseware
Reduced customer support costs	Comparison of performance data over time, surveys and phone calls
Increased customer job performance	Interviews with sales people
Increased sales	Cost measures
Reduced process time	Profit measures

For learning measures, quizzes and tests were cited the most frequently. I was hoping to gain information about how organizations measure actual performance on the job, since quizzes and tests often do not correlate with job performance. Many organizations are still grappling with what are often called level 3 (job performance) evaluations.

For course measures, LMS systems are commonly used for information on enrollments and completion rates. It is clear that LMS systems are becoming more critical for gathering metrics. Respondents cited surveys, correspondence, and other methods to gain much-needed feedback from internal and external customers. I believe that formal and informal discussions with stakeholders are critical and should be built into our efforts because finding out what they think is important and finding out how we measure up is critical.

What is most interesting about the data sources used to gain information about business measures is that training departments are finding effective ways to track this information so that they can show their value to bottom line business results. This is important, and commendable. Most organizations struggle with level 4 evaluations, but clearly there is a need to show that our efforts affect business results.

Because so many companies are being tasked with correlating training with business results, it's interesting to note that software tools are arriving to assist with analyzing training outcomes. Some of the most common functionalities of these training analysis tools include measurement of training efficiency, impact, certification, and compliance. Although some of this data can come from LMSs, tools are needed to integrate training and business data and help users analyze the data so that training results can be more easily quantified.

Identifying measurement stakeholders

4. To whom do you communicate the outcomes of these measurement efforts? (Check all that apply for each customer.)

Internal Customers

25%	Board members
77%	Company supervisors/managers/executives
38%	Employees
6%	External customers
6%	Other
52%	Within my department or division only

External Customers

13%	Board members
50%	Company supervisors/managers/executives
15%	Employees
29%	External customers
15%	Other
40%	Within my department or division only

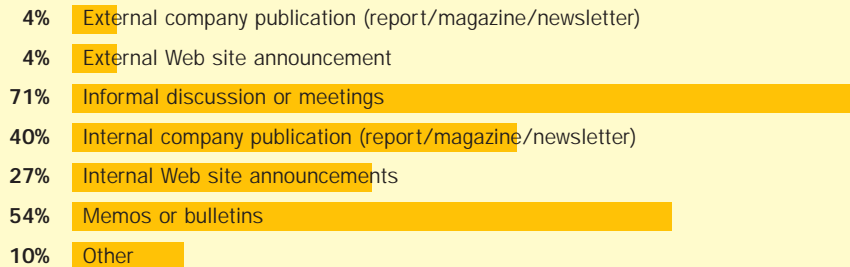0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Results are often being communicated outside the immediate department, which is a positive sign. Company supervisors, managers, and executives often receive results, which makes sense, given that their perceptions are critically important. It is interesting to see that fewer respondents communicate external customer results to company supervisors, managers, and executives. Is this because these results are less important as suggested by question 1?

I was surprised that employees did not receive results more frequently because they, too, are key stakeholders. I was also surprised that those who develop for external customers did not more frequently communicate results to these customers.
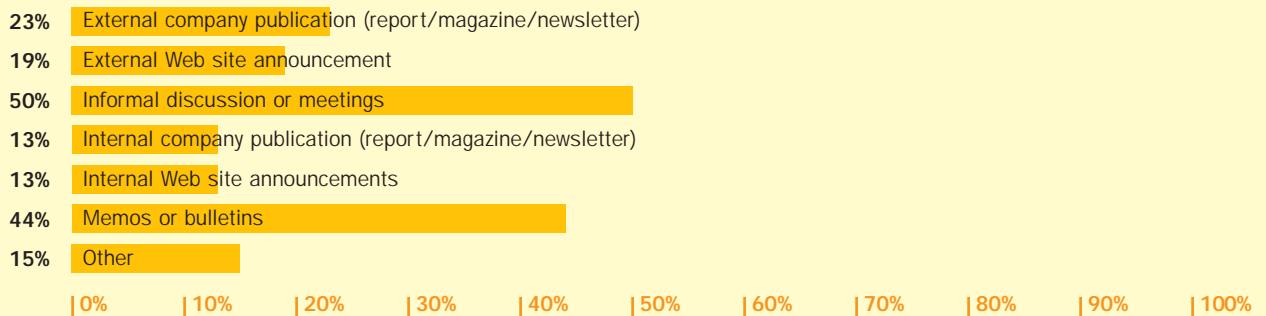
Ways to communicate outcomes

**5. How do you communicate the outcomes of these measurement efforts?
(Check all that apply for each customer.)**

Internal Customers

%	Method
4%	External company publication (report/magazine/newsletter)
4%	External Web site announcement
71%	Informal discussion or meetings
40%	Internal company publication (report/magazine/newsletter)
27%	Internal Web site announcements
54%	Memos or bulletins
10%	Other

External Customers

%	Method
23%	External company publication (report/magazine/newsletter)
19%	External Web site announcement
50%	Informal discussion or meetings
13%	Internal company publication (report/magazine/newsletter)
13%	Internal Web site announcements
44%	Memos or bulletins
15%	Other

0%   10%   20%   30%   40%   50%   60%   70%   80%   90%   100%

   Informal discussions or meetings are the most commonly used method, with memos or bulletins next. It makes sense that respondents use internal publications and announcements more for communicating about internal customer results and external publications and Web site announcements more often for communicating about external customer results. To gain the kind of credibility needed, wide distribution of results is probably optimal.

Final thoughts

The objective of this survey was to provide ideas and to learn how some Guild members are establishing the value of their efforts. Question 1 showed that respondents did, in fact, feel that measuring results was important. Questions 2 and 3 show what they are measuring and also show the data sources for these measurements. These responses provide insights and ideas for those who also desire to show the value of their programs. Questions 4 & 5 provide ideas for communicating results to stakeholders.

Clearly, measurement of results is important. Meaningful metrics should be established up front, and the data gained should be analyzed to inform decisions about improving training and allocating future resources.

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This survey was developed by the Guild's Research Committee. To learn more about the Guild's Research Committee click here: http://www.eLearningGuild.com/pbuild/linkbuilder.cfm?selection=doc.101

To learn more about this subject

To learn more about ways to measure the value of e-Learning, we encourage you to search the following pages on the Guild's Web site using the terms: Measurement, Value, and ROI.

The Resource Directory:
http://www.eLearningGuild.com/resources/resources/index.cfm?action=viewcats

The eLearning Developers' Journal:
http://www.eLearningGuild.com/articles/abstracts/index.cfm?action=view

About the Guild

The eLearning Guild is a global Community of Practice for designers, developers, and managers of e-Learning. Through this member-driven community, the Guild provides high-quality learning opportunities, networking services, resources, and publications.

Guild members represent a diverse group of instructional designers, content developers, web developers, project managers, contractors, consultants, managers and directors of training and learning services — all of whom share a common interest in e-Learning design, development, and management. Members work for organizations in the corporate, government, academic, and K-12 sectors. They also are employees of e-Learning product and service providers, consultants, students, and self-employed professionals.

The 10,300+ members of this growing, worldwide community look to the Guild for timely, relevant, and objective information about e-Learning to increase their knowledge, improve their professional skills, and expand their personal networks.

The eLearning Developers' Journal is the premier weekly online publication of The eLearning Guild. The Journal showcases practical strategies and techniques for designers, developers, and managers of e-Learning.

The eLearning Guild organizes a variety of industry events focused on participant learning: