**CEdMA Workshop, 14 March 2006**

**SAP, Bedfont**

# *"Overview of Learning Analytics"*

Mike Dowsey
Business Development Manager
CEdMA Europe

***mike@dowsey.net***

## Training Analytics Market Analysis, Bersin and Associates Mar 05
## *"How do companies measure training and ROI"*

| | |
|---|---|
| Date of survey: | October, 2004 |
| Surveys sent: | 5,999 |
| Respondent Profile: | 67% Corporate<br>18% Education,<br>15% Government |

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# Training Analytics Market Analysis, Bersin and Associates Mar 05

## *"How do companies measure training and ROI"*

### Training Analytics Survey: *Key Findings*

1. Most organizations routinely measure *training volumes* (enrollments, completions, hours delivered), *Learner satisfaction, and total training costs.* These measures are the easiest to obtain and are widely used.
2. The majority of organizations consider the *business impact* of training to be the most valuable information to obtain, but very few firms are actually measuring it. The reason for this is a clear lack of tools and methodologies.
3. The top business impacts which companies measure are sales-related, quality-related, retention, and overall cost reduction.
4. Most organizations are not satisfied with their *Learning Management Systems'* ability to provide the requisite measurements and reporting information.
5. *Spending* on tracking and measurement is small today, but there is a strong demand for higher spending and resource allocation in this area.

# Training Analytics Market Analysis, Bersin and Associates Mar 05

## *"How do companies measure training and ROI"*

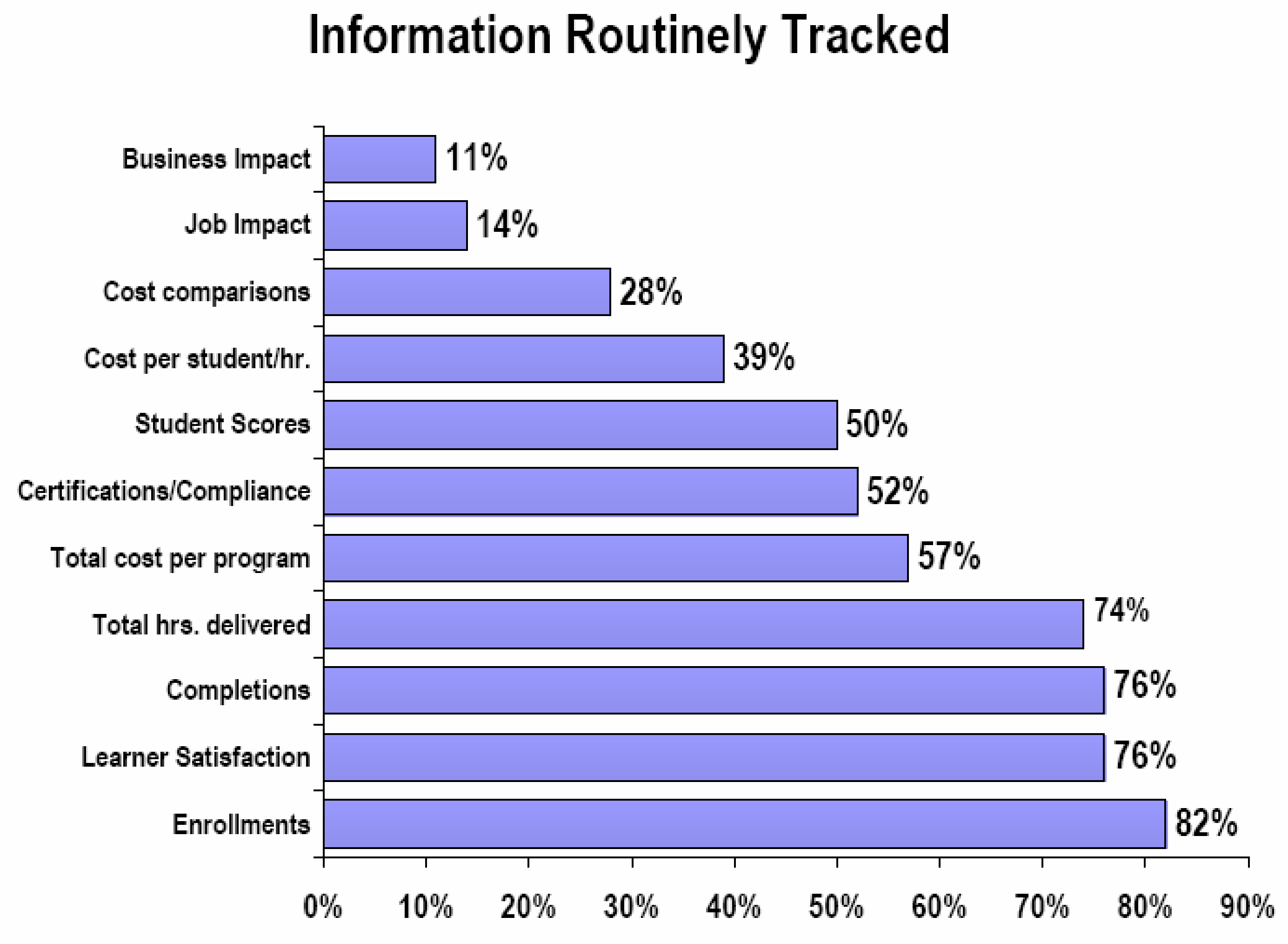


Figure 1: What information do companies track today? (All organizations)

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*"How do companies measure training and ROI"*

**Business Measures**
**Companies Want to Correlate to Training**

| Measure | % of Organizations who want to use It |
|---|---|
| Employee Turnover | 11% |
| Employee Productivity | 19% |
| Sales Revenue | 16% |
| Sales Cycle Time (time to close a sale) | 10% |
| Time to Market | 13% |
| Product or Service Quality | 29% |
| Operational Cost Savings | 24% |

Figure 2: What business measures do companies want to correlate?

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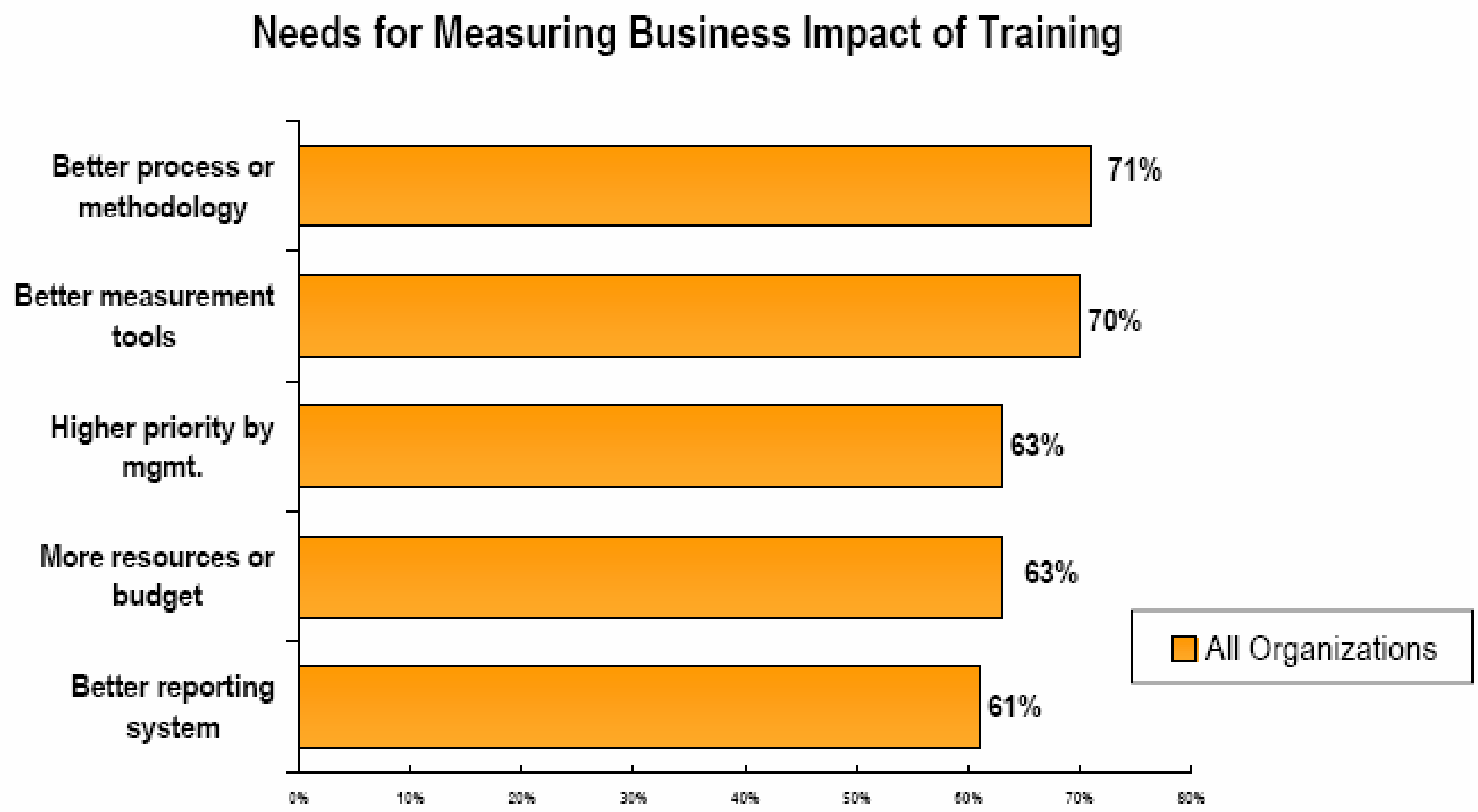


Figure 3: What do companies need to improve measurement processes and results?

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*“How do companies measure training and ROI”*

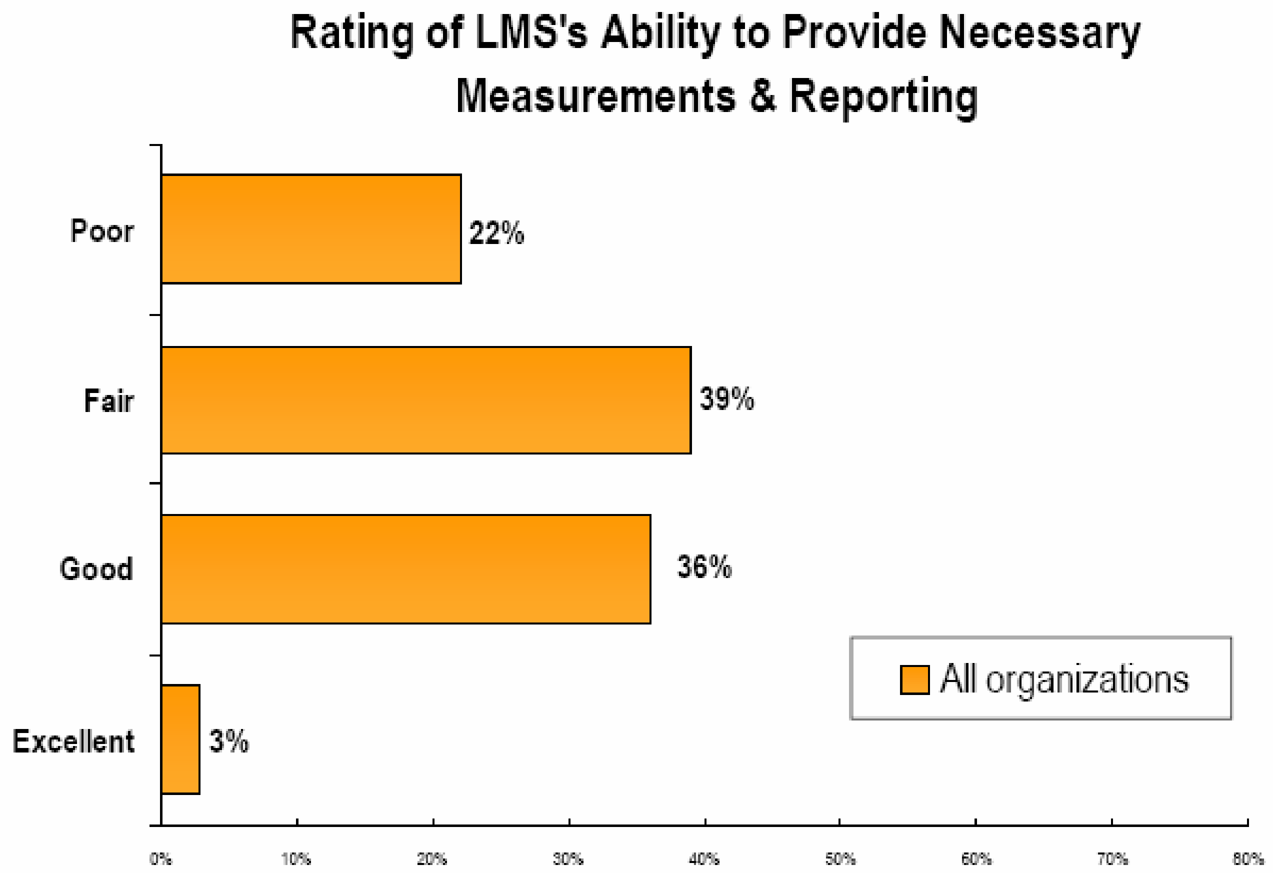


Figure 4: How would you rate your LMS in its ability to provide you the measurement and reporting you need?

# Training Analytics Market Analysis, Bersin and Associates Mar 05
## *"How do companies measure training and ROI"*

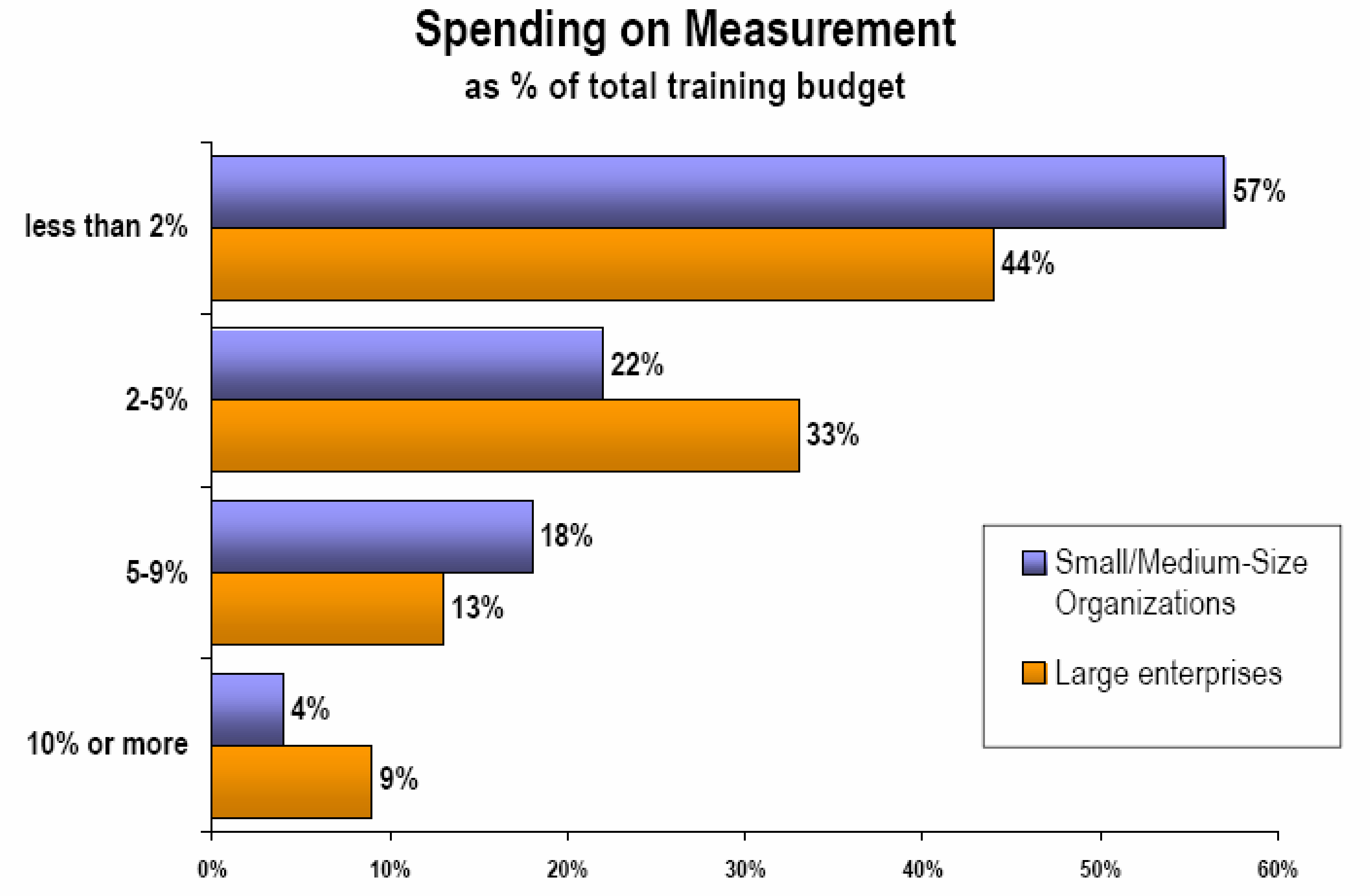


Figure 5: What percentage of your training budget do you spend on measurement and analytics today?

# Bersin and Associates Mar 05

*"What is Training Analytics? How do you get started?"*

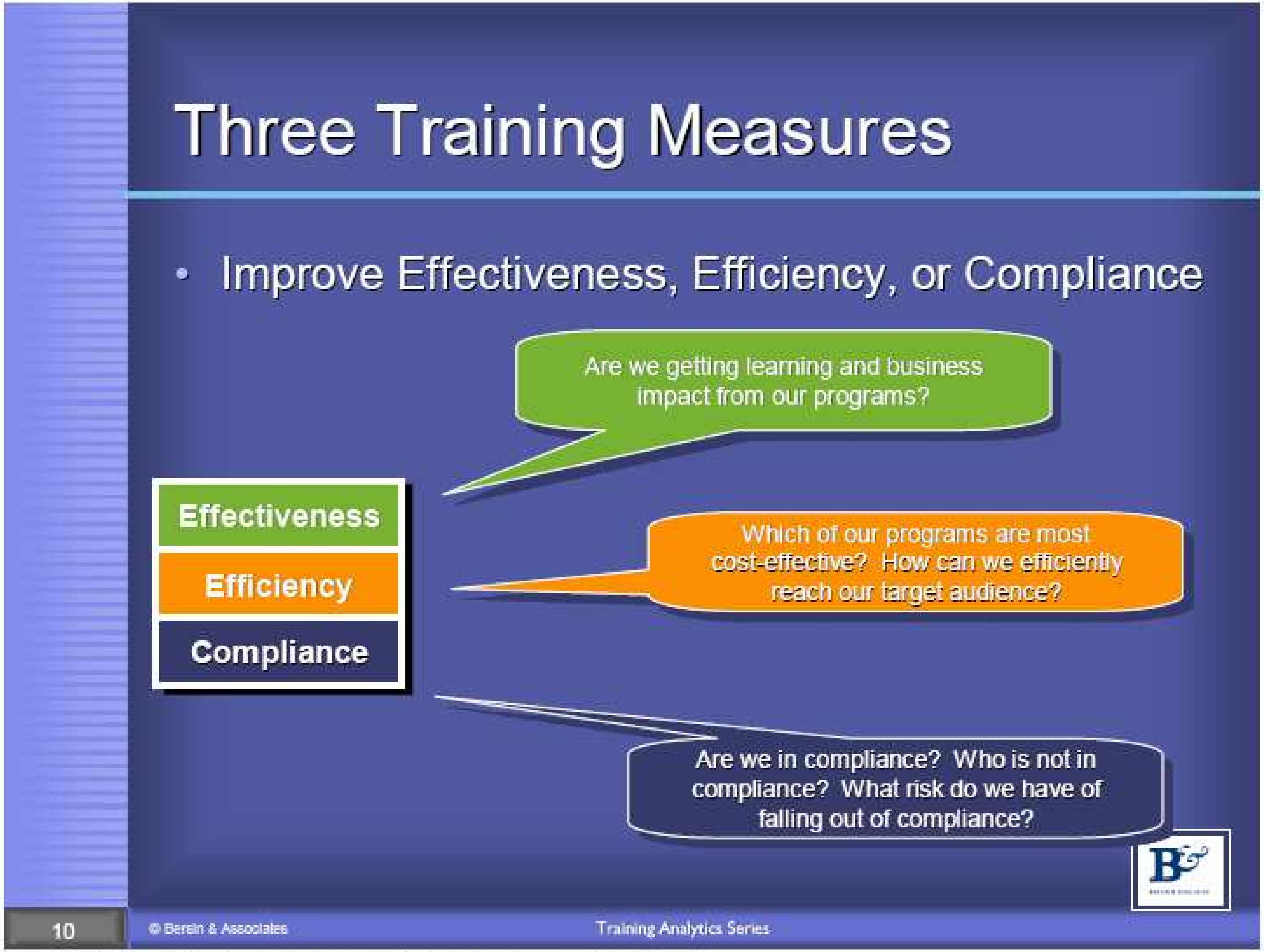


Figure 1: The Three Benchmark Measurement Types

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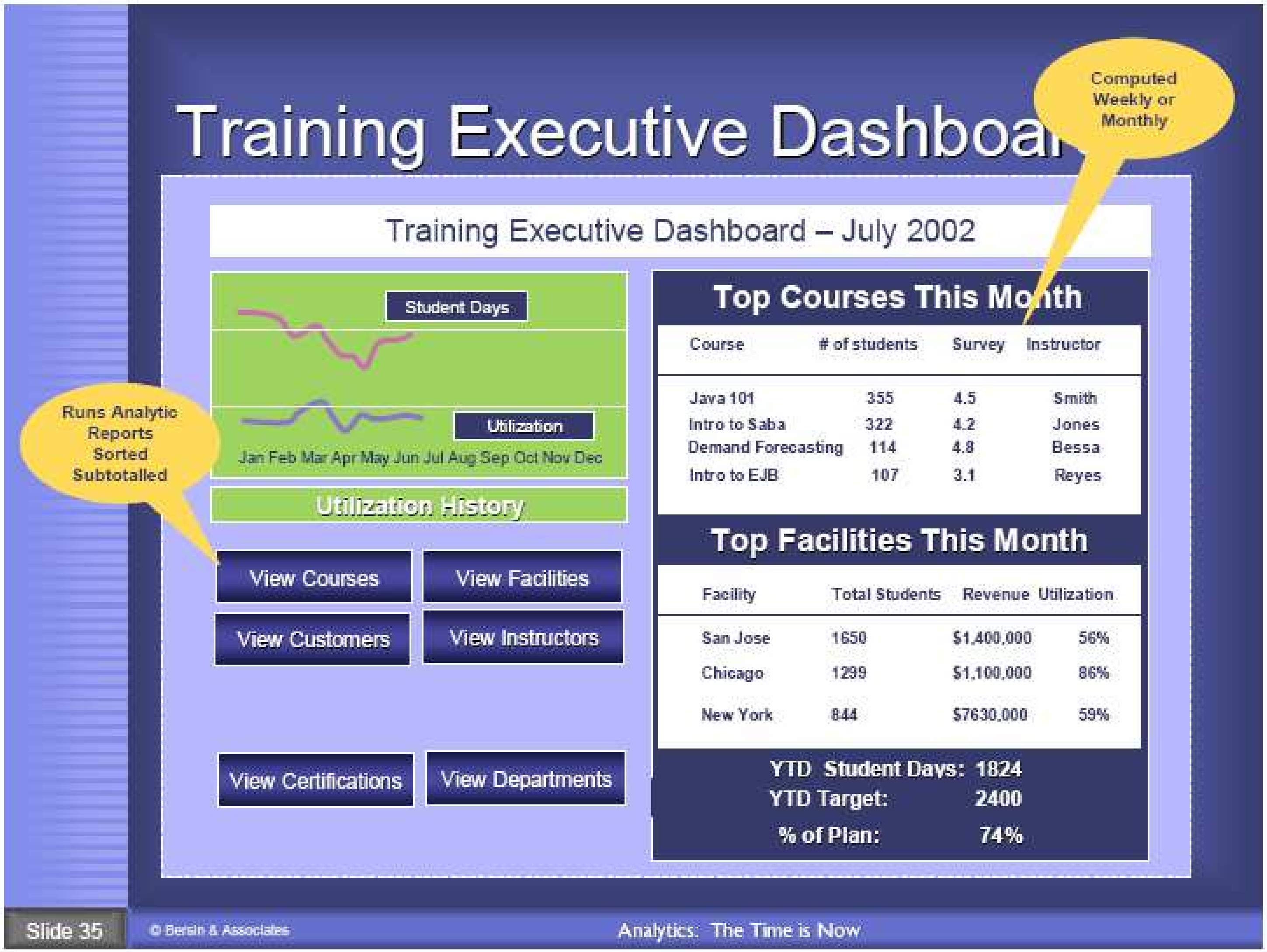


Figure 4: Training Executive Dashboard

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## *"What is Training Analytics? How do you get started?"*

### Training Analytics Needs by Audience

Once you understand the business questions needed, the next issue to address is making it easy to find the information you need. In our research we have identified three categories of analytics users (information consumers). Depending on their jobs, they use information for different purposes.

| Audience | Analytics Needs | Decisions they make |
|---|---|---|
| Executives | Overall metrics, financial information, compliance, and training efficiency. | Drive compliance, ensure training is efficient, make sure that employees are developed. |
| Line Managers | Training compliance, skills development to meet their job needs, completion of mandatory programs. | Drive compliance, develop people, ensure training costs are reasonable, ensure that people are completing and learning something. |
| Training executives and managers | Training volumes, completion rates, vendor effectiveness, facility efficiency, program effectiveness, overall costs and financial efficiency. | What courses should be offered? What media and programs work? Which audiences consume the most? Which audiences learn best? Which vendors' content performs well? How do we optimize scarce resources? What should we stop doing? What should we do more of? |

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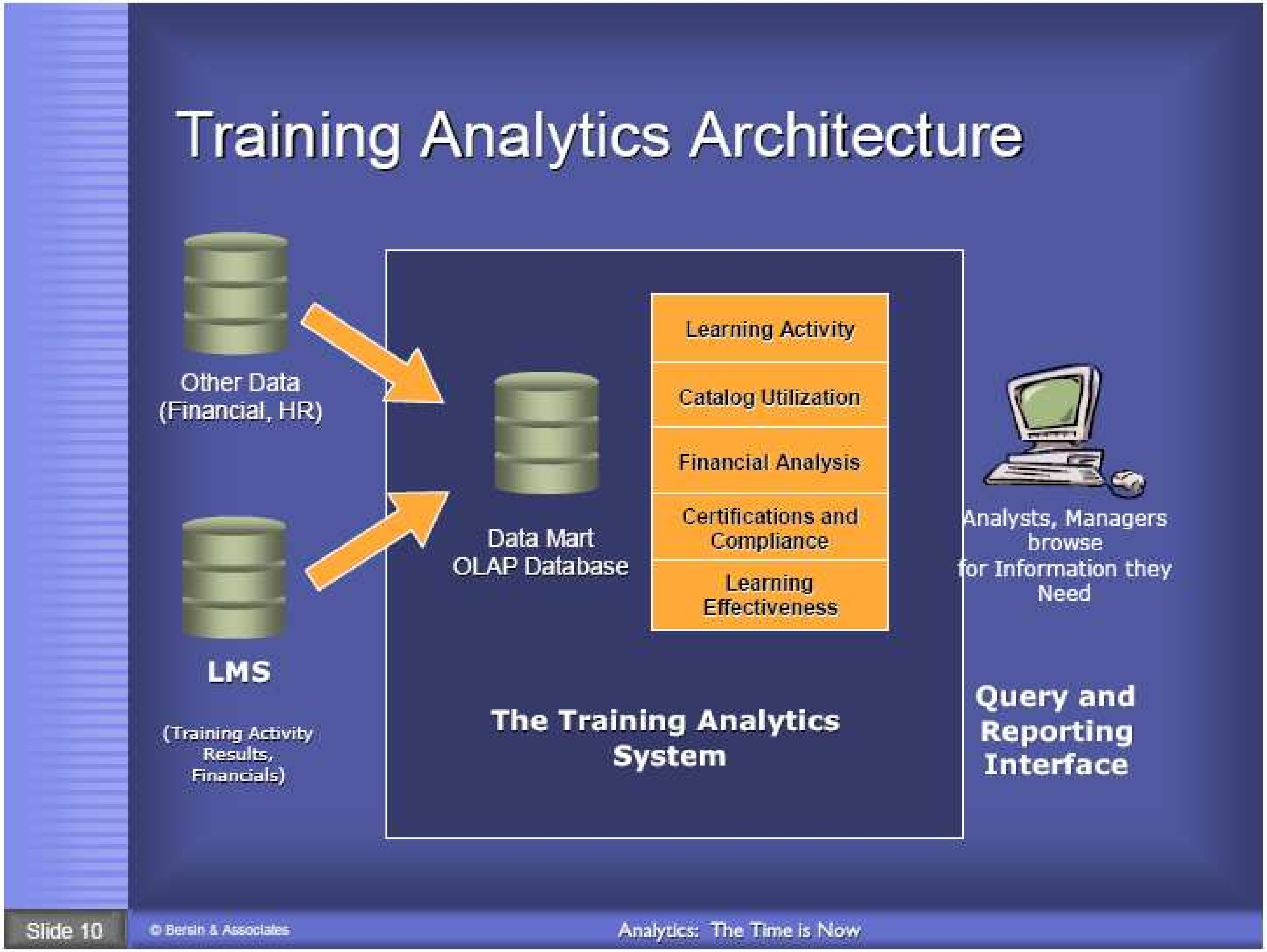


Figure 7: Training Analytics Technical Architecture

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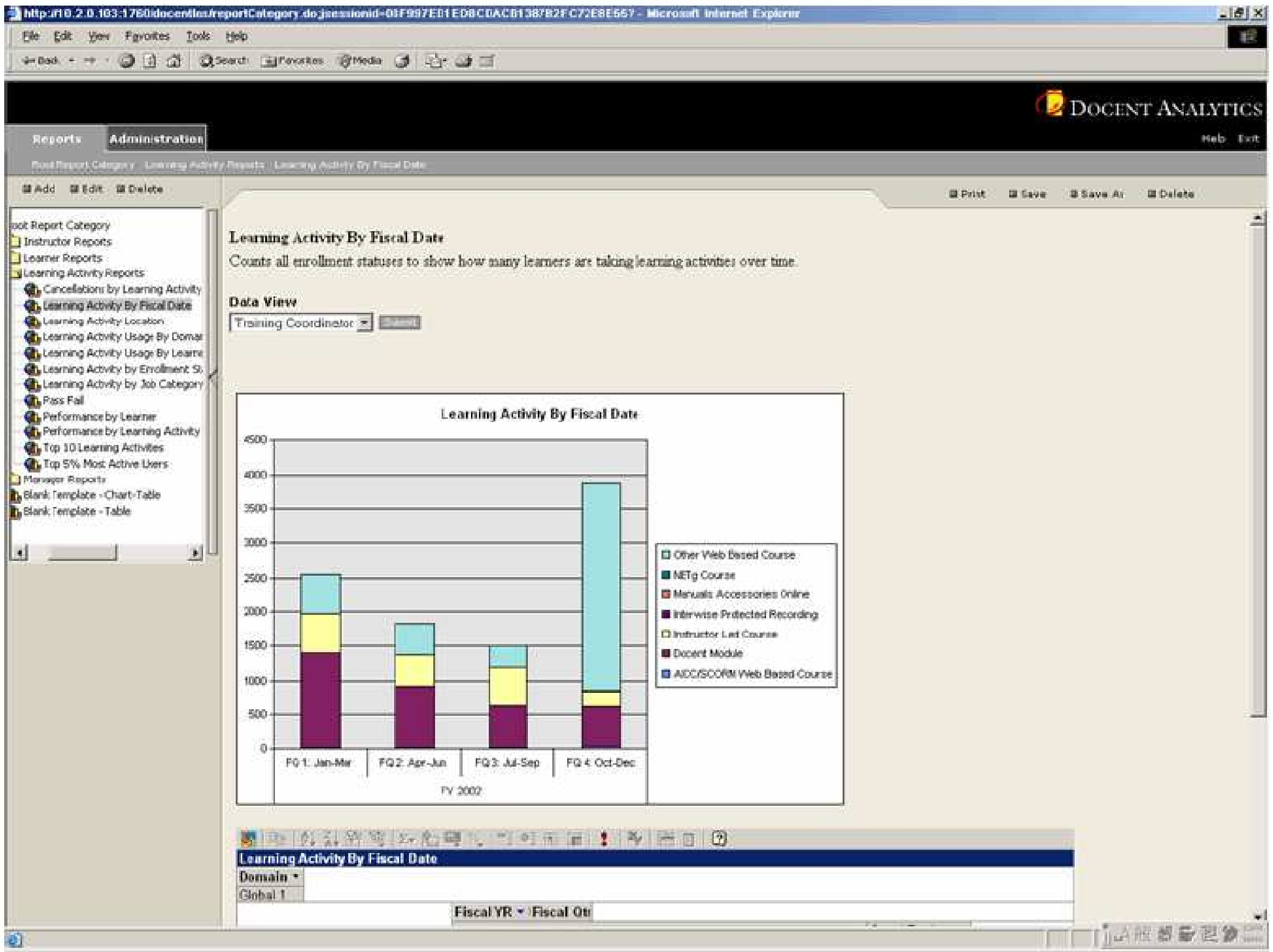


Figure 8: SumTotal Analytics Learning Activity Analysis

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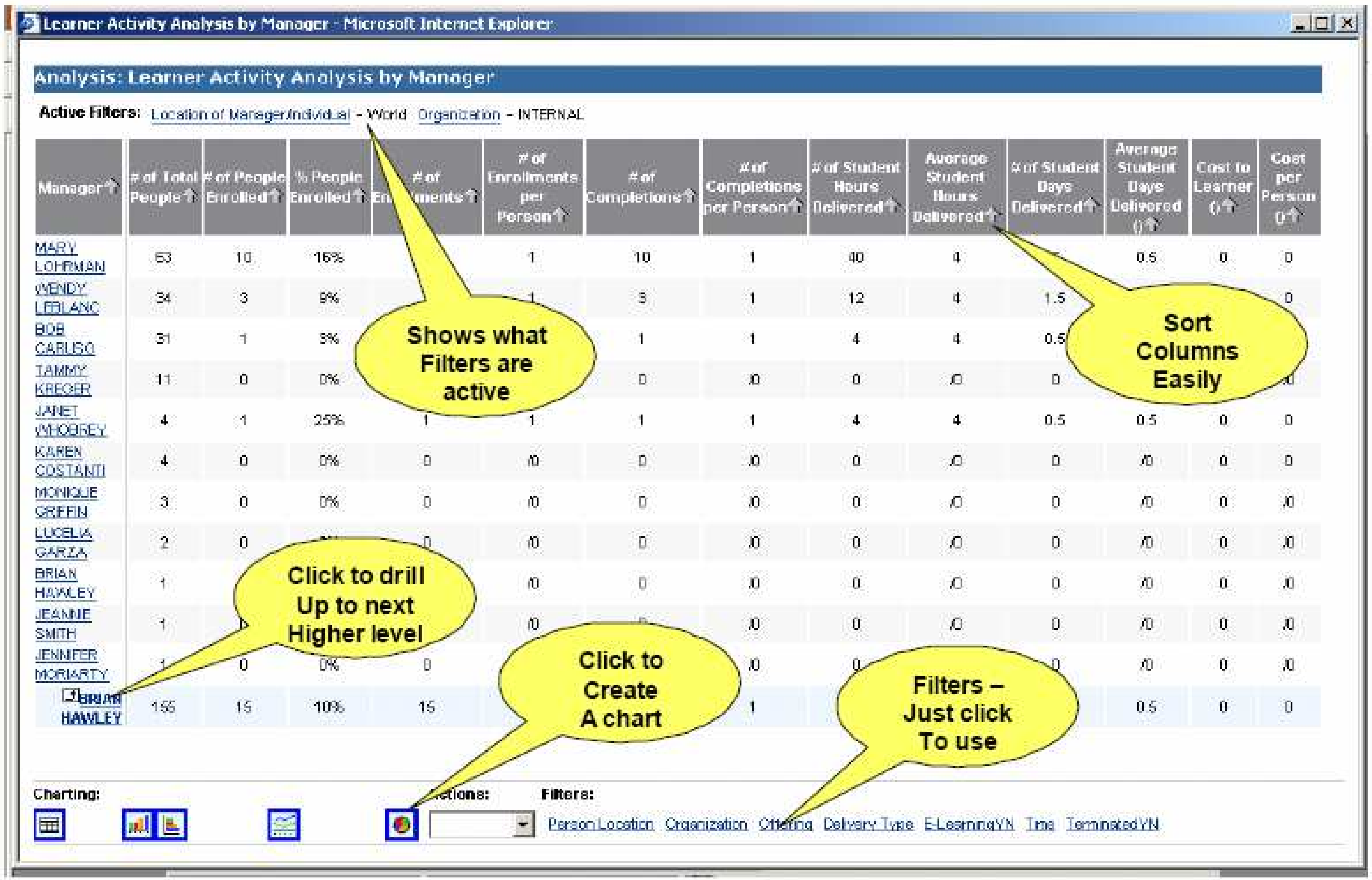


Figure 11: Saba Analytics Sample Learning Activity Analysis

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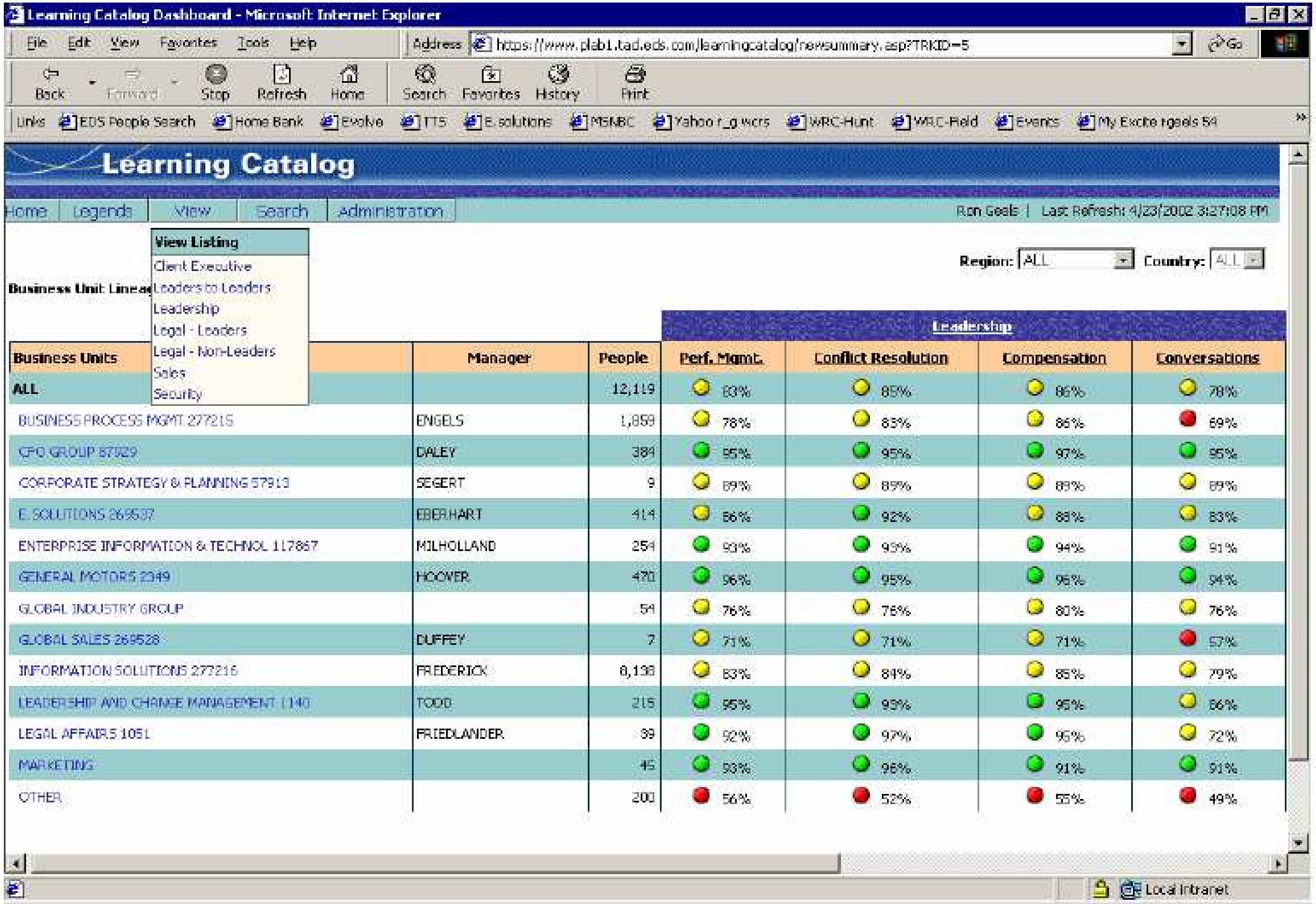


| Business Units | Manager | People | Perf. Mgmt. | Conflict Resolution | Compensation | Conversations |
|---|---|---|---|---|---|---|
| ALL | | 12,119 | 83% | 85% | 86% | 78% |
| BUSINESS PROCESS MGMT 277215 | ENGELS | 1,859 | 78% | 83% | 86% | 69% |
| CFO GROUP 87929 | DALEY | 384 | 95% | 95% | 97% | 95% |
| CORPORATE STRATEGY & PLANNING 57913 | SEGERT | 9 | 89% | 89% | 89% | 89% |
| E.SOLUTIONS 269537 | EBERHART | 414 | 86% | 92% | 88% | 83% |
| ENTERPRISE INFORMATION & TECHNOL 117867 | MILHOLLAND | 254 | 93% | 93% | 94% | 91% |
| GENERAL MOTORS 2349 | HOOVER | 470 | 96% | 95% | 96% | 94% |
| GLOBAL INDUSTRY GROUP | | 54 | 76% | 76% | 80% | 76% |
| GLOBAL SALES 269528 | DUFFEY | 7 | 71% | 71% | 71% | 57% |
| INFORMATION SOLUTIONS 277216 | FREDERICK | 8,138 | 83% | 84% | 85% | 79% |
| LEADERSHIP AND CHANGE MANAGEMENT 1140 | TODD | 215 | 95% | 93% | 95% | 86% |
| LEGAL AFFAIRS 1051 | FRIEDLANDER | 39 | 92% | 97% | 95% | 72% |
| MARKETING | | 45 | 93% | 96% | 91% | 91% |
| OTHER | | 200 | 56% | 52% | 55% | 49% |

Figure 12: Global Service Provider Training Dashboard

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #1 – Operational Excellence


### What it means

The learning organization is operating at its optimal efficiency for its level of resources and investment. Your return on effort (ROE) is maximized.

### How it’s measured

Average cost per student day; training expenditures as a ratio of full time employees; enrollment and fill-rates, learning process maturity level; facility costs; training revenue; staffing levels; delivery models; development timelines; expenses

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #2 – Learning Effectiveness


### What it means

The instructional design, delivery techniques, and general pedagogy are optimized. Learning is applied during work activities and consistently proving value to the enterprise.

### How it’s measured

Satisfaction surveys; progress indicators; completions; learning through pre-tests and post-tests; job impact surveys; work-process improvement; business measure variation; return on investment (ROI)

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #3 – Compliance


### What it means

The organization is complying with all mandated regulations, both internal and external. Accurate and accessible information streamline the audit process.

### How it’s measured

% compliant of total population; have versus have-nots; periodicity; average days to recertify; violations; penalties; restrictions.

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #4 – Change Readiness


### What it means

A workforce is aware and prepared with knowledge and skills to execute a new business strategy, and change swiftly as the new strategy evolves.

### How it’s measured

Percent of workforce cross trained on alternate tasks; ability to communicate change: channels and timeliness, dispersed workforce; climate surveys: employee trust level of management, management respect level to employee input

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #5 – Time to Competency


### What it means

In the minimal amount of time and with the least amount of difficulty, new employees fully understand how to perform their job roles and responsibilities, and are ready to meet expectations in the job, where supplemental training occurs in line.

### How it’s measured

Ratio of time spent on the job to time spent learning; duration of orientation programs; proficiency levels; usage of “just-in-time” learning; job impact and productivity surveys

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #6 – Workforce Proficiency


### What it means

Employees have all the knowledge they need to perform their jobs in the time required. Human error and inconsistencies are non-existent throughout the work procedures and processes.

### How it’s measured

Proficiency levels; test scores; skill gap analysis; 360-degree surveys; productivity; quality ratings

# Zeroed-In Technologies: “*Seven Key Learning Indicators*”, mid-05

## Indicator #7 – Point of Engagement


### What it means

Employees are energized, motivated, and committed to the success of the organization. Leaders and employees are meeting each other’s needs. Trust levels are maximized and integrity is a cornerstone of the organizational culture. The human capital practices of the organization positively affect the corporation’s market value.

### How it’s measured

Employee lifecycle assessment process (Gallup Q12); retention; attrition; punctuality; feedback to learning as a retention tool; commitment index; customer surveys; business results

# Zeroed-In wins Learning Analytics shootout title at Training Fall 2005 (Oct 05)

**Zeroed-In Technologies walked away with 1 of 2 winner titles to the first-ever Learning Analytics Shootout scheduled at the Training Fall 2005 conference and exposition in Long Beach, CA. The shootout, turned showcase due to the lack of qualifying vendors, was conceived and facilitated by Bryan Chapman, lead e-learning analyst at Brandon Hall Research. Of the 30 vendors invited to participate, only 2 stepped up to the challenge of showing how their solutions met the defined scenarios of measuring the impact of learning on the business, and measuring learning's return on investment (ROI).**

**Both standalone learning analytic vendors and learning management system vendors with analytic modules were invited. "The scenarios although high level and loosely structured proved to be too difficult for many", said Chapman, further remarking that the definition of learning analytics is still fuzzy among many vendor solutions. "I believe some vendors realized they may not have a learning analytics solution as the market needs define".**

**"Our solution maps very well to the shootout scenarios. Measuring impact and demonstrating the value of learning is what CLO Dashboard™ is all about" states Zeroed-In president Chris Moore. "We really go beyond ROI by providing an environment to measure and monitor the strategic business drivers, and the overall performance efforts of the learning organisation."**

# KnowledgeAdvisors Sample Clients

NEXTEL
ninth house
P&G
Grant Thornton
Accountants and Business Advisors
Orange
Lilly
New Horizons
Computer Learning Centers
Choose. Learn. Succeed.
Nebraska Public Power District
CITRIX
AT&T
DELL
$O_2$
PRICEWATERHOUSECOOPERS
chili's
Microsoft
Audi
AMERIQUEST MORTGAGE COMPANY
Novell
Global Knowledge
CATERPILLAR
Empire BlueCross BlueShield
Marriott
LOCKHEED MARTIN
We never forget who we're working for™
Pfizer
hp
WRIGLEY
CISCO SYSTEMS
Adobe
SAP
DISCOVER
CNA
BT
EATON
LaSalle Bank
ABN AMRO
BAE SYSTEMS
CAPELLA UNIVERSITY

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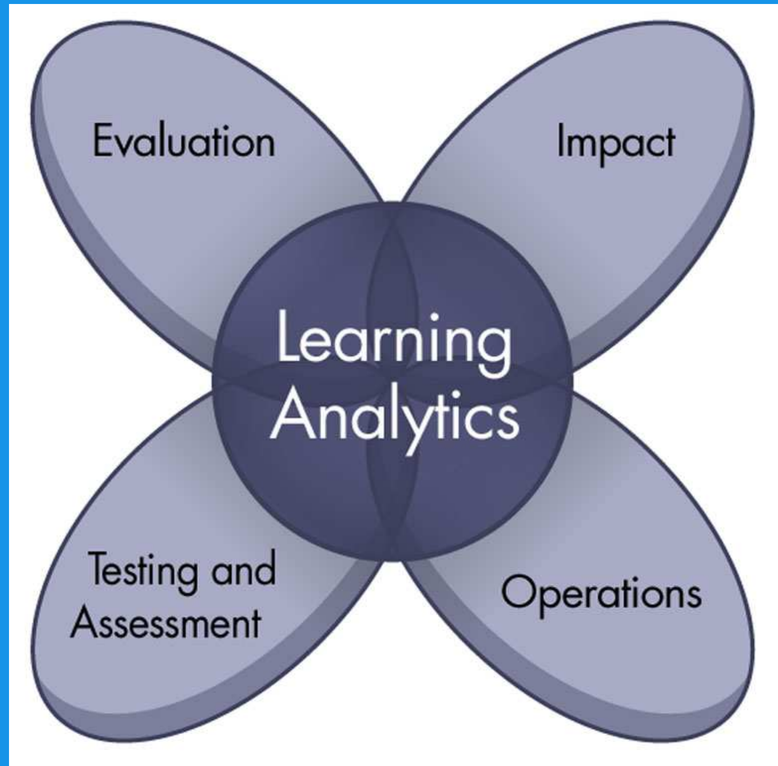
Metrics that Matter™
The Standard in Learning Measurement

# Metrics that Matter™

Learning Analytics Technology that helps organizations understand how to better train & develop employees, partners and customers.

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# Industry Update

**Here are the emerging trends with MTM clients regarding analytics:**

- Shift from early adopters to mainstream usage
- Organizations need access to expertise
- Quality and effectiveness are short term priorities
- Impact and business results are mid-term priorities
- ROI Impact studies are long-term priorities
- Shift from regional/departmental to enterprise
- Back-office integration growing requirement

# Why is MTM Growing Dramatically?

**Here are three key reasons organizations are investing in MTM:**

1. Reduce administrative costs to properly evaluate programs

   - Improve earnings by ***thousands*** of $

2. Reduce wasted training expenditures

   - Improve earnings by ***hundreds of thousands*** of $

3. Increase productivity of workforce

   - Improve earnings by ***millions*** of $

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Metrics that Matter™
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# Overview of Metrics that Matter™

**Data Collection** → **Data Storage** → **Data Processing** → **Data Reporting**

**Data Collection**
- Post event Survey
- Follow up Survey
- Manager Survey
- Instructor Survey
- Scored Testing
- Needs Assessments
- Actual business result input tools
- Paper, web, email
- LMS Integration

**Data Storage**
- ASP solution
- SQL Server
- Centralized storage
- Secure environment
- Raw data access

**Data Processing**
- Sophisticated queries
- OLAP technology
- Multiple aggregations
- Multiple cuts / views

**Data Reporting**
- Web-enabled reports
- Push email alerts
- Push email reporting
- Phillips ROI report
- Custom query
- Custom reports
- Analytical tools
- Actual business result reports

**Because data collection, processing and reporting is automated, you have more time to analyze the data and turn it into actionable business intelligence to:**
1) **Improve your learning programs**
2) **Demonstrate value to your stakeholders**
3) **Optimize your learning investments**

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# Metrics that Matter™ Reports

**The following reports are available from Metrics that Matter**

**Tactical Reports**
- Evaluation retrieval tool
- Learner comments tool
- Class evaluation summary report
- Class level detail report
- Quick question report
- Testing summary report

**Aggregate Reports**
- Activity analytics
- Comparative performance reports
- Variance reports
- Hierarchy reports (course and location)

**Executive Reports**
- Performance to Goals Reports
- Alarms
- Report Cards
- Top/Bottom Report

**ROI Analytics**
- Learning Levels Score Card
- Human Capital ROI Score Card
- Business Result Score Card
- Customer ROI Cards
- Analyst Worksheets

**Special Features**
- Filter by Report
- Download data
- Save Reports
- Save Queries
- My MTM

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