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Book Facts

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How to Buy It

- www.ciscopress.com
- www.amazon.com

The Business Case for E-Learning By Tom Kelly and Nader Nanjiani.

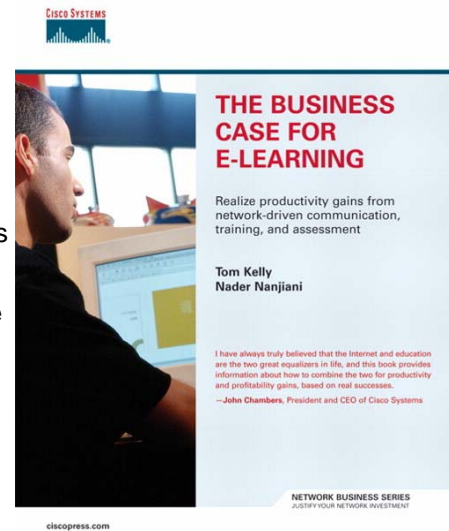
Overview

The Business Case for E-Learning provides real-world case studies illustrating how e-learning increases organizational productivity.

The 14 chapters in *The Business Case for E-Learning* provide explanations, examples, and recommendations to help decision makers leverage e-learning.

The book describes how Cisco has gone through three waves of e-learning adoption. It explains how Internet learning has offered Cisco quantifiable productivity benefits worth \$142 million and a return of \$16 for every dollar spent on a particular e-learning program.

The two authors provide a number of different perspectives and ideas on how to make e-learning work in any organization large or small.



Moving from Content-Centric to Learner Centric

The book describes the Cisco vision for e-learning and chronicles the change within Cisco from a focus on the content to be delivered via e-learning to a focus on what the learner needs know to perform his or her job.

Here are the different evolutionary steps with a brief description of the characteristics of each.

1. **Content-Centric.** Dispersed content targeted toward a generic audience. Catalog of courses.
2. **Portal-Centric.** Content is aggregated based on communities with common interests and needs. Competencies and roadmaps.
3. **Module-Centric.** Creation and use of Reusable Learning Objects (RLOs). Developers began to capture, organize, blend, reuse and share learning and information objects within the various courseware that was available.
4. **Performance-Centric.** Tied together job requirements, training history, and development plans with performance appraisals.
5. **Learner-Centric.** Creating personalized content based on the performance and learning profile of each learner.

Cisco now delivers effective learning events directly to the learners desktop "targeted" to meet his or her needs.

Internet Learning: A Productivity Tool

E-Learning improves employee productivity. To accomplish the goal of improved employee productivity, an effective e-learning system must employ the three elements.

When combined, these three elements allow employees to gain an awareness of the goals, products and priorities of the organization, take required actions to improve skills, and assess their progress.

- **E-communication.** The use of e-communication enables strategic alignment between organizational priorities and the work force within an organization through knowledge sharing. The e-communication program should incorporate the use of a variety of learning portals and “anytime-anyplace” access tools.
- **E-training.** The e-training program is often formal and self-paced. Delivering training via electronic means saves time, reduces costs, and helps leverage the skills of specialized talent to larger numbers across the organization.
- **E-assessment.** Participants should be able to test their knowledge through online and proctored exams, and they should be able to get acquired skills validated through certifications. If assessment is not being done, the organization is conducting training for training’s sake, not for the good of the individual or the organization.

Alternative to Blanket Training: Targeted Learning

The alternative to blanket training—training everyone in the same manner with the same information—is targeted learning. Targeted learning means developing people based on their specific skill needs for their current performance objective.

Cisco launched a portal called *MyDevelopment* which uses a targeted learning approach.

The portal has assessment tools to evaluate each salesperson’s individual strengths and weaknesses with respect to his or her targets. The portal is then able to provide individualized learning plans based on the needs of each sales employee.

Here are the details of the process:

- 1) Salesperson completes a series of skills-gap assessments on the MyDevelopment portal for each required attribute for success.
- 2) Based on the skills-gap analysis, the MyDevelopment tool prepares a targeted learning plan. The learning plan taps into available e-communication, e-training, and e-assessment tools.
- 3) The individual is then expected to follow the recommended actions provided by the MyDevelopment tool. A sales manager tracks the learners’ progress toward the desired goals and intervened if necessary.

“We estimate that in the United States, you save \$2400 per week per student if students choose e-learning over the classroom.”
-- Tom Kelly and Nader Nanjiani

“E-learning changes education and training methodologies because it changes how content is organized, delivered, received and possibly even assimilated.”
-- Tom Kelly and Nader Nanjiani

Two Examples of Business Success with E-Learning

The book highlights many organizations that have had tremendous success with e-learning. Here is a quick summary of two such case studies.

BearingPoint, a consulting group that provides business consulting, systems integration and managed services to Global 2000 companies, medium-sized businesses, and government organizations with over 16,000 employees in 39 countries.

E-Learning as a component of all training and development increased at BearingPoint from 0% in 1999 to 65% at the end of 2002 while the cost of delivering an hour of Internet-based learning has dropped from \$48 per hour to \$32 an hour.

The return on investment was evident when they deployed e-learning to train more than 1000 former employees of Arthur Anderson and quickly assimilated those employees to BearingPoint's policies and practices.

Toyota, a car manufacturer with eight manufacturing plants in the U.S. which plants built over 1.1 million vehicles in 2004. Toyota and its suppliers and dealers are responsible for over 200,000 jobs in the U.S.

The University of Toyota based in Los Angeles, California meets the needs of over 9000 Toyota employees (associates). One effective method they use to reach their associates is through e-learning.

Toyota uses online simulations for soft skills development and assessment. By allowing individuals to acquire and demonstrate skills through "hands-on" simulations based on real-life scenarios, the university has increased the performance impact of e-learning at Toyota.

Associates have access to over 200 programs in the areas of customer service, finance, negotiation skills, business writing and management.

"It's a waste of time and sparse resources to work with a vendor that does not meet your technical requirements and does not accurately communicate that up front."

-- Tom Kelly and Nader Nanjani

Organizing an Internet Learning Initiative

Here are the eight steps required to organize an Internet learning program that generates productivity advantages.

- 1) **Prepare a business justification for Internet learning in your organization.**
- 2) **Gather at least one senior executive's support and buy-in for a demonstration or pilot project.**
- 3) **Assess build versus buy options.**
- 4) **Implement the pilot.**
- 5) **Measure and report tangible results.**
- 6) **Plan the implementation based on the experience from the pilot project.**
- 7) **Involve stakeholders and create "owners."**
- 8) **Drive for results: Report progress frequently.**

An integrated learning effort composed of e-communications, e-training, and e-assessment begins with a strong understanding of learner needs.

Based on the needs, a business case with a projected cost-benefit analysis allows decision makers to proceed with a pilot project.

With an understanding of the pilot's effectiveness, decision makers can take the next step of extending the e-learning effort.

"Does Internet learning cost more to develop or deliver than classroom training? Overall it costs dramatically less to deliver e-learning."

-- Tom Kelly and Nader Nanjani

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About the Authors

Thomas M. Kelly
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Kelly's primary responsibilities are to provide product and technology training to Cisco's direct sales force, grow the number of skilled and certified networking professionals, and to drive and evangelize the best practices associated with e-learning technologies.

Appointed to his current position in December 1997, Kelly launched the Cisco Career Certification Program in April 1998, resulting in the certification of over 500,000 Cisco certified professionals as of March 2003. In 1999 he established the Field E-learning Connection, a specialized Web site for sales engineers and account managers, which offers 80% of the training needed by the field and has over 22,000 employee subscribers.

Kelly has more than 20 years of experience in the education and training industry, holding positions at Oracle Corporation, Sun Microsystems, NeXT Corporation and Control Data Corporation.

Kelly sits on the boards of several companies including KnowledgeNet, Intellinex, and 401Kconnect. Mr. Kelly is an active member of the Computer Education Managers Association, and the Chief Learning Officer Xchange. Kelly earned B.S. and M.B.A. degrees in Business Management from Saint Cloud State University in St. Cloud, Minnesota.

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Nanjani has worked in the area of e-learning and certifications for more than 8 years. Nanjani currently manages the Career Certification program for Cisco. His accomplishments include development of a telecommunications track, introduction of simulations on certification exams, and creation of a Cisco Certified Community. Prior to joining Cisco, Nanjani worked for NEC where he was responsible for increasing the visibility and adoption of NEC's voice, video and data products in the education market.

Nanjani has done extensive consulting on e-learning with corporations, non-profits, universities, and schools. As part of his consulting engagements for Hezel Associates, a consulting and research firm in New York, Nanjani directed market studies and created business plans on e-learning for clients such as Tulane University, the World Bank, University of Texas System, Houghton-Mifflin, US Department of Education and the State University of New York (SUNY) System. His consulting efforts have focused around recommending cost-efficient technology adoption, which educational institutions can afford and sustain.

Nanjani received his MS in Electronic Media from Syracuse University. Prior to moving to the United States, Nanjani worked with Lever Brothers in brand management overseas. He possesses an MBA from Institute of Business Administration, Karachi, Pakistan.

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