**Management Briefing
from
AdVal Group plc**

e-Learning

- A Panacea or a Culture Change?

Article 1 of the 'AdVal Management Briefing' Series

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Improving business performance

EXECUTIVE SUMMARY

Business are undergoing a period of sustained, rapid transformation, brought about by the competitive pressures of globalisation and the revolution in information and communications technology. To survive and be successful, businesses actively need to embrace and promote change within their organisations; find new ways to produce existing products & services and to develop new ones; as well as finding new routes to market.

Managing and developing people's knowledge, skills and behaviours must be at the heart of building this competitive advantage because only they can make it happen.

In this Management Briefing, Dennis Quilter, Chief Executive of the AdVal Group plc, argues that businesses need to re-evaluate systems and learning culture to ensure that they become the dynamic, flexible and responsive organisations that they need to be - organisations where people are constantly seeking to enhance and maintain their own skills, as well as playing an active part in planning and building their own futures.

He argues that whilst organisations have most of the pieces of the puzzle, few have yet the insight or the capability to leverage the power of Net technology, which is making e-Learning a key solution to achieve competitive advantage which can deliver the rapid and effective change that organisations need.

He explores the relationship between a competences-based model for individual skills management, and the vital on-going element of knowledge management in the digital environment. He also examines whether business-driven procedures or a business objective-driven process model is the most appropriate way to set objectives for the future.

Finally, the Management Briefing provides case studies covering major e-Learning projects recently undertaken by AdVal for BP, Barclays Bank and AVIS.

e-Learning - A Panacea or a Culture Change?

By Dennis R Quilter, Chief Executive, AdVal Group plc
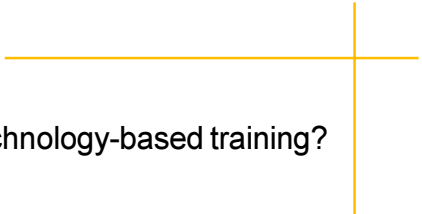
What Is It?

The learning streets are littered with the technological corpses of training methods that just were not going to work from the outset. Too many organisations sidestep analysing their businesses; skirt knowledge management approaches; and skimp on understanding their individual learning needs and learning styles, before launching into technology-based e-Learning solutions.

Who is to blame? Neither the organisations themselves nor the vendors of learning solutions come out smelling of roses! Organisations are only too happy to jump, based on ill-conceived notions and ideas of what they require. Vendors cannot be blamed for selling what is asked for, but must accept some responsibility for selling "out-of-the-box" solutions without understanding what is really needed.

"Business as Usual" is rapidly becoming a thing of the past – constant change and the pressure of competition are now the order of the day and providing learning solutions that work has moved up the agenda, to become mission-critical for companies just to help their people keep up – but is the training industry really heading in the right direction? There are some worrying signs….

Should an organisation use CD-ROM, or web-based e-Learning to deliver courses covering behavioural-based competences or skills? Has anyone acquired all of the skills of interviewing – body language, establishing rapport, etc. – using a web-based approach or a CD-ROM approach? Hopefully, not! Knowledge about procedures and processes, maybe, but the skill and competence to actually carry out the interview needs different, more powerful training methods.

In fact, the move from CD-ROM to web-based learning has inadvertently moved us three steps forward … then four steps back. The richness of CD-ROM (video, sound & animations) would at least allow individuals to view role-model behaviour in conducting an interview. Whereas, current web-based technology learning does not allow us to do that – although, as always, technology is changing and, as you read this, new broadband services are entering the arena.

So is e-Learning a concept, a panacea, or a genuine next stage in technology-based training? To answer this riddle, we need to look at four areas:

1. **The fundamental question 'Why e-Learning?'**
2. **The philosophy that any company using e-Learning must adopt.**
3. **Learning management and best practice.**
4. **What the future may hold.**

We will also look at three 'best practice' case studies from Barclays Bank, BP, and Avis Europe.

1. Why e-Learning?

e-Learning is a strategy that encompasses and utililises today's technologies to satisfy business drivers. It uses technology to move the acquisition of skills, knowledge and behaviours closer to the user, more quickly and with greater currency. In this respect, e-Learning is extremely powerful because it allows individuals to learn 'anywhere, any time' (e.g. work-based environment or at home), minimises workplace downtime, and allows content to be rapidly up-dated.

- **Get it right** - and e-Learning supports the typical modern organisation where process and product are subject to continuous change - where this change is driven by concepts of "continuous improvement", "productivity", and "shareholder value".

- **Get it wrong** - through improperly analysed learning needs, and competitive advantage suffers.

Today, we have access to a raft of learning methods, learning media and learning strategies. Methods include **tutorial**, **heuristic (discovery) learning**, and **role-play**. Media encompasses **computer-based training** (CBT) including **CD-ROM** based learning and **web-based training** (WBT), **video**, **simulators**, and **emulators.**

Strategies are concerned with the need to administer, monitor, measure and report the proficiency of individuals and teams in the modern "Learning Organisation". e-Learning, **Learning Management Systems (LMS)**, **Knowledge Management (KM)**, and **virtual learning environments** are at the forefront of an increasingly close linkage between IT and what has been traditionally the sole preserve of the personnel or human resources departments either centralised or devolved in organisations.

Those organisations that have got it right are addressing people development issues and IT within a new learning culture, using a reference frame of competences tailored for the specific needs of the workforce.

Competence-based learning systems are being strategically and tactically linked to productivity targets, competitive advantage and profitability. Learning Management Systems track progress, assess cost-effectiveness and identify what difference the learning strategy is really making to the bottom line!

2. Adopting the Correct Philosophy

The business philosophy that needs to be applied to make e-Learning a success has three key components that must be used in a totally integrated way.

- **Competences**
- **Interventions**
- **Personal Development Plans**

Firstly, we need to establish a **Universal Domain of Competences (UDOC)** – a common reference frame that comprehensively charts all the competences needed by the organisation, defining and documenting the specific skills, knowledge and behaviours that every individual needs, closely following existing individual job descriptions, core competences and succession planning.

Secondly, the organisation needs a **Universal Domain of Interventions (UDOI)**, that catalogues all the possible learning solutions in use – and the specific skills, knowledge and behaviours they can train for.

Thirdly, individual **Personal Development Plans (PDP)** can be used to identify the existing skills, knowledge and behaviours of every individual, compare them to the required competences, and then map out a PDP using interventions to fill in the holes, or prepare for promotion or job change.

Once all this is in place, the individual learner will be able to satisfy their needs through a **Learning Portal**. This integration is summarised at Figure 1.
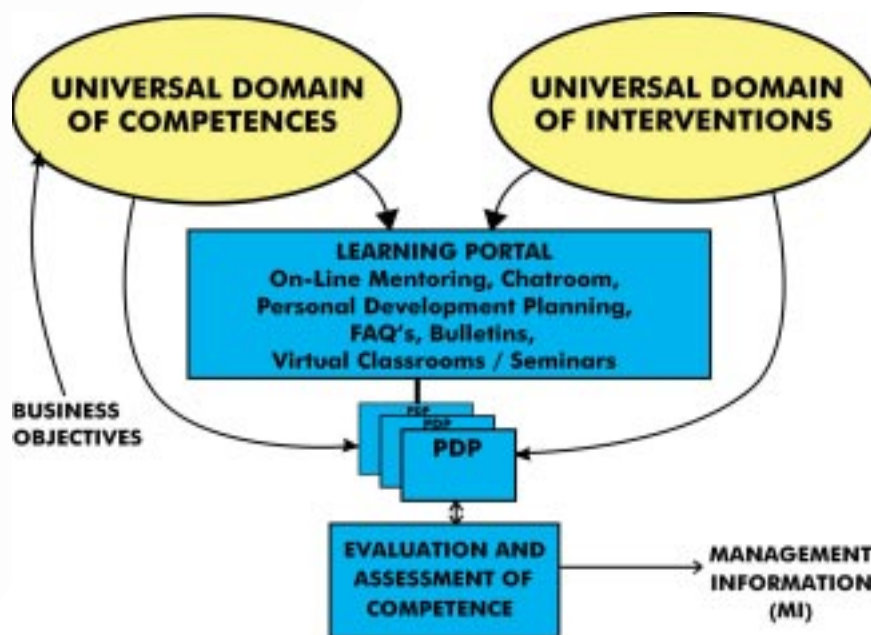
Figure 1. e-Learning Philosophy in Best Practice Organisations, AdVal Group plc, June 1999

e-Learning is only a delivery method; it is not the learning solution on its own. e-Learning is only the medium – not the message – and the message needs to be relevant, meaningful and appropriate to the person it is aimed at.

For e-Learning to really work effectively, what it pushes out to every individual must be closely targeted on his or her own specific learning needs. And for this to happen, there needs to be a viable, workable model driving the whole system, that encompasses people development processes, organisational cultural issues and organisational needs. **The model must also be hard-wired to the business drivers and goals, mapping and anticipating the organisation's strategic requirements.**

For organisations that have not got it right yet, a culture change is required to move from a business-driven procedures model (open loop), where learning is seen incorrectly as a peripheral activity, to a business objective-driven process model (closed loop) where learning is fully integral to the organisation – top to bottom. Clear, discernible changes have to be enacted to achieve a learning organisation.

Some key insights are necessary to make the transition:

- **A learning organisation is predicated on knowledge**
- **Knowledge underpins outcomes (skills and behaviours)**
- **A competence framework is a viable and workable model from which to benchmark proficiency**
- **You do not just become a learning/knowledge organisation**
- **New or modified processes need to be implemented to create a learning culture**
- **A knowledge-based organisation is predicated on everybody taking responsibility for information and knowledge**
- **Learning strategies, methods and media need to be implemented as part of the change and in a process-driven fashion.**

Selection and recruitment on the basis of personal attributes is important to ensure that the process starts by selecting "The Right Stuff" to begin with, but inevitably there are going to be differences in the skill levels, existing knowledge and suitability of behaviours (the input standard) going into the learning system.

Before companies can begin to implement training for anyone, it is essential to establish what abilities someone needs for their specific job to be "Proficient". This is the fixed output standard; a benchmark of proficiency specifically linked to business objectives.

This needs to be done in a systematic way. Here is our Ten Stage Route Map to success!

1 Clarify your Business Objectives

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2 Conduct a Skills Audit
(benchmarking skills, knowledge and behaviours)

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3 Identify and specify Competences

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4 Make explicit links between Business Objectives,
Competences and Assessment

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5 Translate Competences into Learning Needs
(performances, knowledge, assessment, environmental)

↓

6 Identify and structure the Content that is required

↓

7 Profile your target Audience

↓

8 Analyse and select the Learning methods/media and
strategies in terms of the Learning Needs

↓

9 Adopt a cost-effective approach

↓

10 Establish Support Mechanisms to maintain currency
of learning vis-à-vis the changing business environment

Without implementing these processes, any learning intervention using e-Learning is much more than likely to fail.

Trying to get organisations to carry out this sort of rigorous analysis is hard enough (and it costs money too); graft on to this the fact that the organisation may have to view individuals in a different way and embody knowledge-based approaches to management, and you can see why organisations do fail.

They fail to have a coherent top-down view of where they are, what they do and how they accomplish it; so to resolve its problems, the organisation then just jumps on the next technology-based solution and waits for its plan to roll out and succeed.

Quite simply, any organisation without a Route Map is flying blind.
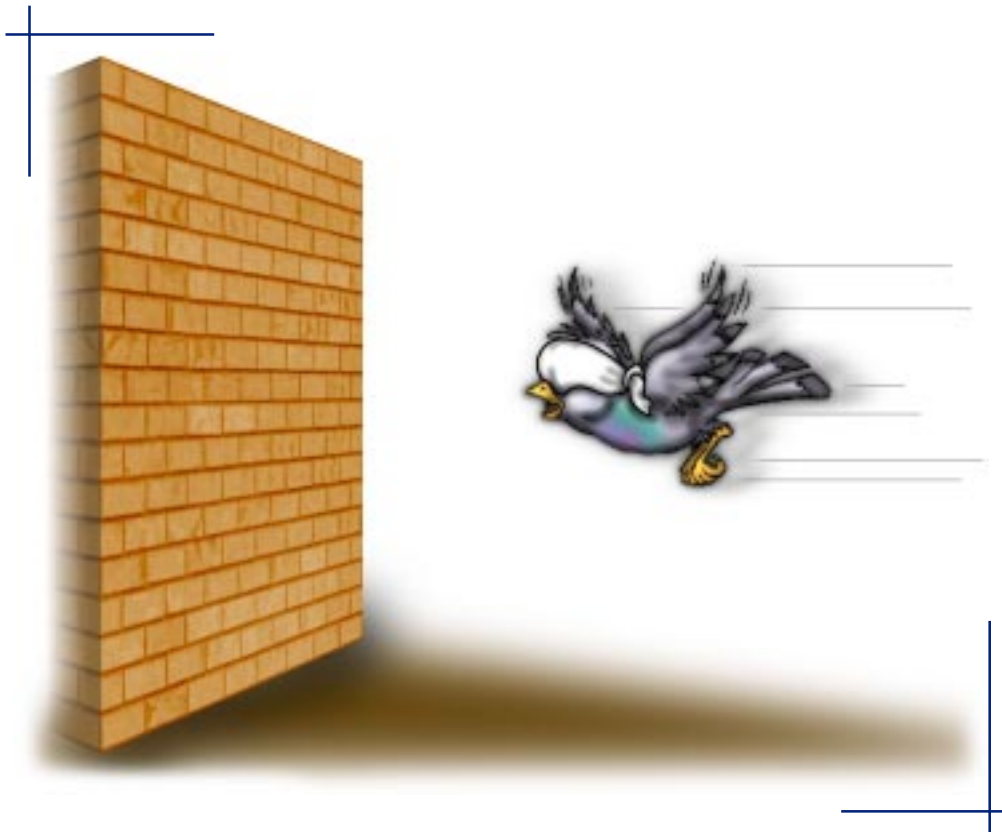
3. Learning Management & Best Practice

You are not alone in the task of building effective e-Learning solutions. Just as e-Learning content can be specified, developed and deployed using a range of delivery methods, particularly Net technology, the same Net technology can provide the framework and feedback loops to hold the new learning solution together. These solutions can help by building best practice into your organisation and seizing control of learning back into your management structures.

The advent of the Internet and Corporate Intranets has spawned a variety of proprietary **Knowledge Management (KM)** and **Learning Management Systems (LMS)**, either developed as applications for sale or as organisational internal IT solutions.

These systems are designed to provide the linkage and the 'glue' between the Personal Developing Planning, the appropriate learning courses and **Management Information Systems (MIS)**. For web-based training, these systems also provide the medium through which on-line learning is delivered; and they administer, manage, measure and report performance across a variety of learning methods.

Learning Management Systems hold out the prospect, very difficult or perhaps impossible to achieve previously, of providing a watertight closed loop relationship between providing the right learning experience, linked directly to required competence in virtually real-time. To deliver this, Learning Management Systems need not only to launch web-based materials alone, but also to administer all other forms of media and methods. They also monitor, measure and report on individual, team, and whole organisational performance – this is the current challenge.

But it does not end there. Beyond training, organisations are undergoing parallel developments in human resource management, implementing electronic **Human Resource Management Systems (e HRM.)**, using leading products like PeopleSoft™ or SAP™ adjusted to the e-World. These systems can be interfaced to Learning Management Systems, so for the first time companies are able to have live data of their organisations allowing managers to reward success and to identify and address problem areas in real time.

Beyond this, we can see similar developments in **Electronic Performance Support Systems (EPSS),** which carry active knowledge and learning beyond "training" into every facet of peoples' working lives.

The future sees a continuum from pure knowledge access through to structured formal training, available at the touch of a button or a click of the mouse.

The barriers between departments, different areas of operation and peoples' roles within organisations are coming down. Openness, accessibility, flexibility and responsiveness are the new watchwords.

4. The Future?

In order to chart the way ahead, organisations must clearly understand what they are trying to achieve. The development of knowledge, skills and behaviours (KSB) to achieve effective change is dependent upon building and maintaining new values in the Learning Organisation.

Companies need a new culture that inculcates a demand for development – a culture that is "market-led". Companies that place real value on seeking and attaining proficiency will create a new internal "economy", which has positive pressure springing from the individuals who make up an organisation – suddenly learning is **pulled** by the individuals - rather than **pushed** at them.

To achieve the new culture, and to maintain, and sustain change, competences need to be defined in terms of core, business sub-sets, job roles and succession plans within the Personal Development Plan (PDP). The sum of all the individual Personal Development Plan competences represents what 'proficiency' means in any organisation.

In the idealised learning culture, there exists for every competence and group of related competences, an intervention(s) that achieves proficiency, which can be objectively measured through some form of assessment; this is the now of leading-edge organisations and future model for all.

AdVal is regularly asked to provide everything from facilitated face-to-face sessions, to multimedia (CBT and WBT), paper-based training (PBT), exercises, on-the-job learning and so on. Checks and balances are built into the process to ensure that the competences and training used remains valid and reliable over time in response to changes both internal and external, and that a correct choice of methods and media is made.

Where the concept of pulled rather than pushed learning is applied, (such as for succession planning,) mediation through line management is also recommended to provide advice and guidance.

We now have the technology available and the business philosophy in place to achieve the cultural change organisations need to win. e-Learning will be absolutely central to deliver success – but only if it is implemented as part of a much more fundamental effort. Firstly in assessing and then by redefining the way that learning can be crafted and targeted on every individual to deliver change.

Faster, cheaper, more effective learning is there for the taking. Those that embrace e-Learning will gain massive competitive advantage – those that do not are going to fall behind.

Winners

Here are three concrete examples of companies that have used this approach to harness the power of e-Learning to achieve real business gains. We hope you find them useful.

BARCLAYS

Barclays realised in 1996 that to remain truly competitive they had to respond to the needs of their customers. The Bank recognised that their staff held the key to competitive advantage and they needed to improve the necessary skills and attitudes to meet their customers' expectations.

Barclays Bank commissioned AdVal Group plc, in partnership with Warwick Business School, to develop a completely new and innovative £4 million programme to achieve this aim. This represented the single largest investment that Barclays has ever made in its training and development of staff.

Research among small businesses consistently confirms that customers want a relationship banker who really understands what it is like to start up and run a business. AdVal designed a totally integrated learning approach using video, computer based multimedia training and face-to-face residential workshops to meet this complex objective.

Particular elements of the programme included:

- **Introductory Video**

  As a starting point all staff were shown a video called 'Seeing through their eyes' to heighten their awareness of the need to understand their customers. The video showed staff how customers viewed the Bank and its services.

- **Computer-Based Training**

  To prepare for the 5-day residential workshop, Small Business staff attended a two-day course at Barclays' own training centres. At these training centres Barclays staff completed ten hours of multimedia exercises to gain an in-depth understanding of the small business market.

- **5-day Residential Workshop**

  The video and computer-based training brought delegates to the same level of understanding. The residential workshops were designed to put staff 'in the shoes' of their customers so they could 'feel' what it was like to run a small business.

Since February 1997 over 2,000 staff have successfully completed the programme. Barclays internal research through their telephone research survey "Customer First" showed significant increases in the level of understanding and support.

Jerry Blackett, Sales and Performance Director for Barclays Bank's Small Business Banking said:

"This work was fundamental in improving our understanding of what it really takes to set up and run a Small Business. In particular, it was great to see the customer satisfaction scores improve materially."

Barclays Bank has also secured an increase of market share of the start up market.

bp

The BP programme provides a 'round-the-clock' learning tool for the manufacturing and maintenance operations carried out by 1,200 chemical plant technicians. A total of 21 modules of Computer Based Training incorporate complex 2D and 3D, high level video, voice-overs and audio.

A sophisticated Learning Management System, developed using Macromedia Pathware, enables the successful management of the programme. It allows BP trainers to manage students and course materials, provides feedback on user activity, delivers specific courses to individuals and/or groups, and allows the exchange of such data into wider management systems. This information is also used to match assessment criteria to the attainment of a Scottish Vocational Qualification (SVQ) linked to the programme. By linking the achievement of a SVQ to the programme the learner is motivated and rewarded for completing the modules. The successful completion of the modules can be used as evidence of underpinning knowledge to support SVQ qualification.

The programme uses a mixture of animation, video and question sections to create a highly interactive learning environment. A key competence assurance requirement is for BP technicians to fully understand the workings of the complete equipment in order to carry out each operation effectively. This is achieved by animating elements of the plant so the learner can see 'inside' the equipment and fully understand the functionality of the working parts.

The design is built on BP's corporate image and incorporates a distinctive 'sonic logo' to launch the programme. The use of two voice-overs makes the programme more interesting and reinforces text messages displayed on screen. Complex animation provides the learner with a real insight into how each individual piece of equipment works – inside and out.

The user is continuously involved interactively in the programme. On screen instructions with animated responses show how each piece of equipment reacts to instructions given by the learner. The navigation aids allow the user to move around the programme freely, seek help and access glossary information, and repeat sections if necessary.

The programme is designed so the learners can progressively work through the course and test themselves at the end of each stage.

The programme uses the delivery format of CD-ROM within the BP IT network to achieve the high bandwidth required to show the media-rich programmes. Using pioneering Macromedia

Pathware, BP have achieved a Learning Management System that manages students and course materials, provides feedback on user activity, delivers specific courses to individuals or groups, and allows the exchange of such data into wider management information systems.

BP has initially trained over 1,200 technicians using the multimedia programme. For the first time, technicians have been shown how equipment works from an external and internal perspective through the high fidelity and interactive animations. Enhanced video and audio has increased attention spans and made the whole experience more enjoyable. Through greater understanding technicians can now undertake important duties to higher levels ensuring safety critical issues are considered. The learning management system has improved the way people learn and the way management assesses performance via the network. The programme has also successfully incorporated the learning function into a knowledge management system delivered over their Intranet.

Overall, the achievement of training and operational objectives through thorough analysis, design, features, interactivity and management tools place this programme at the leading edge of multimedia training.

This programme won the British Interactive Multimedia Association 'Commissioned Training Award' in 1999.

BIMA awards 1999
europe's premier interactive awards

AVIS Europe

Avis is the leading car rental company in Europe, Africa, the Middle East and Asia, serving more than seven million customers a year in over 100 countries. As part of their policy of continually improving the service they offer to their customers, Avis have opened two new Call Centres in Manchester (to handle English and German enquiries) and Barcelona (Spanish, French and Italian).

Avis have also rolled out a major upgrade to their computer-controlled central booking system (ARIES), which is used by the Reservation Sales Agents to enter and retrieve data while communicating with customers, by telephone.

Both of these initiatives generated a need for wide scale training of employees in a common set of telephone, service and IT procedures, but catering for different national languages and circumstances.

AdVal was commissioned to design and produce the multimedia elements of the training package in five languages. Whereas traditional multimedia is often restricted to the presentation of factual and procedural information, AdVal's aim in this case was to use innovative techniques to partially or fully satisfy a greater range of training objectives. This

would allow face-to-face and coaching sessions to be shorter and to concentrate more on reinforcement than on teaching skills from scratch.

The most innovative technique is a facility for the user to listen to a clip of a customer making a call and then interactively record their response before hearing the next part of the conversation from the customer. This continues until the user has completed a specific part of a transaction with the customer. The user then has the facility to playback both sides of the conversation before being asked to assess their own performance. This interactive technique is used in several different customer scenarios and the user can work through them as often as they wish. The recording is stored on the central server so that the tutor can monitor a user's conversation before discussing their performance with the user.

Other specific examples of the creative and selective use of media include:

- A video made in the style of television 'Holiday' show that introduces Reservation Sales Agents to the car rental business in a lively but informative way. This approach was deliberately chosen to appeal to the known target audience.

- A documentary video that takes the user through a customer transaction in the Call Centre before moving to Heathrow Airport to see how the transaction is then processed at a rental station. The documentary includes interviews with rental station employees at the airport and Avis customers. The aim is to show the user the complete rental process - something they do not normally see in their day-to-day work, as well as provide information on the working environment in the call centre.

- The use of video clips to demonstrate specific learning points in the setting of a Call Centre and to show, when appropriate, typical customer reaction to both good and bad customer handling skills. By showing a customer's reaction, Reservation Sales Agents are reminded that they are dealing with a real person and not just a voice on a telephone.

- The summative assessment is based on a television quiz show. Questions are presented by the show's host using a variety of techniques, including a panel of 'experts' whose answers have to be assessed by the user. The main thrust of the assessment is to present the user with real-life situations to which they respond appropriately.

The major benefit resulting from this project is a reduction in training time from 4 to 3 weeks. It also frees up trainer and support staff to concentrate on value added business activities. The effectiveness of the training and simulation of the ARIES system has resulted in improved times to competency which in turn has improved customer satisfaction levels. The use of multimedia for elements of the training means that 'just enough' and 'just in time' training can be offered as and when required, rather than having to 'fill a course'. It also supports Avis' business strategy to recruit and operate a flexible workforce.

The increased emphasis on the development of sales techniques (as opposed to simply learning systems and procedures) ensures that customers' needs are fully understood and conversion ratio targets are achieved. There is also now a noticeable shift from 'order taking' to 'selling'.

Recent industry research into Call Centres suggests that training is often a low priority for businesses, and that the training given can be of mediocre quality and effectiveness. Avis'

investment in this programme is a positive motivator for both new and existing employees.

The programme helps to ensure consistency across two pan-European call centres. This ensures that the customer experience is consistent and that quality of service remains high.

The programme extends beyond the traditional computer-based training and genuinely engages the learner by looking at their role in the broader context and getting them as 'involved' as possible. In particular, they benefit from receiving appropriate feedback and responses from their virtual 'customers'.

The television metaphor is both popular and acceptable across the different cultures.

This programme won the World Open Learning 'Bespoke Product of the Year' in October 2000.

More studies and demonstrations of e-Learning can be found at www.adval.co.uk.

AdVal Group plc

AdVal is a people development business that incorporates a wide range of consultancy services, the creation of web and traditional multimedia, and face-to-face training. The company works primarily with blue-chip companies and public sector organisations to improve human and organisational performance. Services include training needs analysis, Learning Management Systems (LMS), process and expert consultancy, competency frameworks, workshops, bespoke training, Internet/Intranet services, and full in-house multimedia, graphics and video creation design and production facilities.

AdVal is dedicated to improving the proficiency of individuals and teams in their job roles, by designing and implementing people development and human performance management strategies for our clients.

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